



3 1761 11895364 5



Digitized by the Internet Archive
in 2024 with funding from
University of Toronto

<https://archive.org/details/31761118953645>



Hansard

Official Report of Debates

Legislative Assembly of Ontario

First Session, 34th Parliament
Thursday, November 26, 1987



Speaker: Honourable Hugh A. Edighoffer
Clerk of the House: Claude L. DesRosiers



CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of members of the Legislative Assembly of Ontario.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$16.00 per session, from: Sessional Subscription Service, Information Services Branch, Ministry of Government Services, 5th Floor, 880 Bay Street, Toronto, M7A 1N8. Phone (416) 965-2238.

LEGISLATIVE ASSEMBLY OF ONTARIO

Thursday, November 26, 1987

The House met at 10 a.m.

Prayers.

ORDERS OF THE DAY

PRIVATE MEMBERS' PUBLIC BUSINESS

FIRE DEPARTMENTS

Mr. Faubert moved resolution 3:

That, in the opinion of this House, the government of Ontario should amend the Fire Departments Act RSO 1980, regarding and related to management rights and structure; reform of the arbitration process; makeup of bargaining units; and the revision of definitions within fire departments to improve administration of such departments, and labour relations between management and the bargaining units.

The Deputy Speaker: The member for Scarborough-Ellesmere has read his resolution. The member has up to 20 minutes and he may reserve any amount of that time to reply at the end.

Mr. Faubert: I had looked forward with some anticipation to my first speech in this House being made as part of the process of response to the speech from the throne. However, the roster system, coupled with the time limits on that debate, determined otherwise, so this House will have to wait until another time to hear about me and my riding.

I am pleased to have this opportunity to rise in open debate on the first item of private members' business in this 34th Parliament and on this resolution, which I feel has some importance to most, if not all, municipalities in this province. It is my hope and indeed my expectation that this debate will be initiated and this matter will be aired from a number of perspectives as openly and as rationally as possible and with the result that the government will initiate action necessary to effect the desired amendments to the Fire Departments Act, amendments which are in the interests of all parties concerned, both the employees and the employers.

By way of introduction and background, I should point out that I served on the council of the city of Scarborough for over 17 years before having the honour of being elected to this Legislature on September 10 by the good voters

of Scarborough-Ellesmere. Over that time, I was elected to the board of control and sat as a member of that board for seven years, during which time I was a member of the labour negotiating team for the city of Scarborough. I have also served as an executive member of both the Association of Municipalities of Ontario, which is known as AMO, and the Federation of Canadian Municipalities, known as FCM, and so also bring province-wide and national perspectives to this issue.

In addition, over that time I have had the opportunity to observe fire services not only of my municipality but also of many national and international forces, and I appreciate the job they are called upon to do. I admire the sense of dedication and discipline necessary to react as a team in firefighting situations, and some times I truly wonder that they can do as excellent a job as they do under such extreme conditions of stress and danger. But it is the management aspect of the service, not the operational, that we address today.

By way of further introduction, it should be pointed out that the Ministry of the Solicitor General has had under active consideration for many years the question of amendments to the Fire Departments Act. Indeed, the Fire Departments Act, in its present form, dates from 1947, but its deficiencies have been the subject of resolutions and petitions for change dating back to 1968. So when it is stated that such amendments are needed—and there is a universal consensus that amendments are needed—that is certainly no exaggeration.

Individual municipalities, the Association of Municipalities of Ontario, the Ontario Association of Fire Chiefs and the Ontario Association of Personnel Directors have all sent briefs and resolutions asking for a review of the legislation and its procedures and stating that, in their opinion, the act requires review and needs to be brought up to date and into line with contemporary labour and management practices.

What has happened to these petitions? They always seem to disappear somewhere into Queen's Park, because legislation with respect to the fire service has often been promised but has never been delivered.

These sustained efforts with respect to amending the Fire Departments Act have been construed by some, and most particularly and unfortunately by members of the fire service, led by their executives, as an attack upon the service and its members. This is simply not the case, for it is clearly the community's and the council's perception that as a protective service, that required for fire is generally held in high regard, rendering an admirably high level of service. Indeed, where the fire service is concerned, there has been a widespread tendency to regard it as being essential and on the same plane as the police. This shows in certain arbitration awards, particularly in the area of Metropolitan Toronto, which has given the fire service economic parity with police settlements.

While I do not wish to detract from the excellent service in the performance of its professional duties, there is in Ontario, however, data available which, as to the ease of recruitment, low rate of turnover and overall lost time rate, are in sharp contrast when compared to such data for the police. But it is in the administrative structure of the two protective services that is shown dramatically the need for amendments to the act to establish a separate bargaining unit for senior officers from that of the rest of the bargaining unit.

As we know, the Fire Departments Act describes in a rudimentary form a system of collective bargaining. The system is then prescribed for all full-time firefighters as defined in the act. The only exclusions prescribed by section 5 are the chief and the deputy chief of the department. The effect of this is that all other senior officers in the department are within the bargaining unit and are therefore represented for collective bargaining purposes by the fire departments' associations.

1010

This is acknowledged to interfere with their need and ability to manage. The practical, or rather the unpractical, effect of this has been noted and commented upon adversely for many years. The fact that a fire department has only two management persons makes it a system which inhibits the sound management of the departments, especially departments of the larger cities which have fire services of between 400 and 600 operational firefighters.

The submission of the Ontario Association of Fire Chiefs puts it this way: "The senior officers in the department are in fact managers in every sense of the word. Particularly in an organization such as a fire department, the chain of command

is fundamental. Orders must be obeyed. Officers must have the unequivocal authority to direct that certain duties are carried out and carried out promptly. These officers must have the ability and the capacity to assert leadership, direction and control over their subordinates for the efficient operation of the department.

"In our opinion there is no effective way in which this can be done if an officer is required to serve two masters. He cannot effectively carry out his management responsibilities if, at the same time, his other loyalty is to an organization of which the men he must lead are members. It is apparent in many fire departments in the province that this is not simply an academic concern. The conflict of interest is direct and has a very practical impact."

The Association of Municipalities of Ontario, in their brief to the Solicitor General (Mrs. Smith), addresses the same issue this way, in the rationale of part two, titled Required Legislative Amendments for the Effective Administration of the Fire Services: "It is important that a definition of senior officers clearly delineates management from nonmanagement personnel in order to ensure that no conflict of interest exists when managerial authority is required. For example, in situations of discipline it would be unfair for an individual who, by virtue of responsibilities, is required to impose disciplinary action and to require him or her to do so when that same individual is part of the bargaining unit."

No other collective bargaining legislation exists that does not recognize that this type of conflict of interest exists and seeks to accommodate it. As an example, the Labour Relations Act of Ontario excludes from the bargaining unit any person who exercises managerial functions.

If the comparison with the police we made earlier is an apt one, then the system of the Police Act which permits the senior officers to bargain collectively, but separately, apart from the other members of the police force, is an approach that is eminently logical and is an approach that should indeed be adopted. That approach is the one any new legislation should incorporate.

Such recommendations to define senior officers for purposes of the act and to allow senior fire service officers to become a separate bargaining unit is not without critics. This move is vigorously opposed by both the Ontario Professional Fire Fighters and the International Association of Fire Fighters, at least by the executive of those associations. Their position is simply that such a move would reduce the size of their bargaining units.

I should point out, though, using Scarborough as an example, there are 469 operational firefighters, with 14 district chiefs. This would result in a net reduction of only 14, or 2.8 per cent of the total unit. To put this in its real perspective, the city of Scarborough adds more than that number every year in hiring, just to keep up with its continued growth and population to be served.

We come to the most contentious part of any recommendation for change and that is the area that is most resisted. That is the resolution process of arbitration. The Association of Municipalities of Ontario has submitted recommendations over a period of time and should be commended for their latest brief, developed by their labour relations committee, which they describe this way:

"AMO views the role of effective collective bargaining legislation as being that which provides both parties with a constructive and neutral framework within which differences can be resolved by the parties to their mutual satisfaction."

Their recommendation contains a proposed model which has considerable merit, for it inserts a conciliation or mediation step into the process before the arbitration process. Its supporting rationale is a compelling argument to adopt such a model.

I am aware that this fact-finding step has created discussion and some dissension, but this Fire Departments Act is the only piece of labour legislation in Ontario that does not contain some form of mediation or conciliation.

Other items which require addressing, and which have been the subject of numerous briefs and submissions, are the need for developing guidelines for arbitrators similar to those outlined in the Crown Employees Collective Bargaining Act; and second, the need to update the definitions of job descriptions within the act.

At this time, I would like to commend the former Solicitor General, the member for Kingston and The Islands (Mr. Keyes) for taking a major step last year as Solicitor General by enlarging the panel of arbitrators, by adding 17 additional, qualified, impartial arbitrators to the original six. He took a lot of heat for that action, but the results are showing in more balanced awards presently being made.

I feel that this AMO brief and all the resolutions and recommendations that have come forward, should be studied very closely by the Solicitor General's ministry. Although many conclusions and recommendations have been known to the ministry staff for some time, I feel

that the ministry should act to bring all interested parties back to the bargaining and back to reforming this act.

The change is under way, we know that. We have seen drafts of legislation but it does not bring forward the changes necessary. That the act is outdated in its concepts and applications is well known; I would urge this Legislature to support this resolution to have this act amended, to achieve an act that balances the rights of both sides, in a fair and equitable bargaining process.

On that note, I would like to reserve my remaining time for my final remarks.

Mr. Reville: I would like to begin by congratulating the new member for Scarborough-Ellesmere (Mr. Faubert) on his maiden address in this House. I can only regret that he has chosen such an unfortunate resolution with which to begin.

This firefighter's helmet, which has my name on it, and which says, "Best Wishes with Your New Endeavours" was presented to me by the Toronto Fire Fighters Association on my leaving Toronto city council, and may give members a clue on how I may vote on this resolution. I will briefly put it on so you can see how handsome and brave I look and then I will deliver the rest of the speech holding the helmet in this manner and on the heart.

The member for Scarborough-Ellesmere has lamented the fact that the many recommendations from the Association of Municipalities of Ontario seem to have disappeared into the bowels of Queen's Park never to be seen again and I am delighted that they disappear, because these are particularly negative kinds of recommendations—and in fact I will read the member some words.

For instance, in 1984 my old friend, Orval Bolton, who was then president of the Toronto Fire Fighters Association, local 113, said, "We believe the end result would be a return to the dark ages in the field of management labour relations and would make confrontation and legal challenge the name of the game."

It was at that time that Toronto city council—and I know the member for St. Andrew-St. Patrick (Mr. Kanter) will recall and will note with pride how he voted to support this resolution, wherein the Toronto city council supported its firefighters in respect of opposing the changes that even then were roiling and moiling around in the department of the Solicitor General. I suspect the member for St. Andrew-St. Patrick will join me in opposing this resolution.

The resolution appears to be somewhat benign in its words, but clearly the member for Scarborough-Ellesmere, in his speech to the resolution, has indicated the hornets, vipers and toads that in fact lurk beneath his seemingly harmless words. In fact, what is being proposed by AMO will gut the rights that firefighters have worked for and the rights that they deserve. It is interesting to note the kinds of issues that the AMO recommendation says are not for the purview of the arbitrator. It is hard to imagine what the arbitrator will be able to arbitrate if this AMO resolution finds its way into legislation.

1020

Matters such as employment, appointment, complement, organization, assignment, discipline, dismissal, suspension, work methods and procedures, kinds and locations of equipment and classification of positions, promotion, demotion, transfer, layoff, reappointment, merit system, training and development and appraisal; none of those matters under this proposal will be allowed to be within the jurisdiction of an arbitrator. It strikes me that goes to the very heart of our collective bargaining process and it would be shocking if we took this giant step back into time, when workers were at the mercy of employers who clearly had other views about working conditions than workers do.

The member for Scarborough-Ellesmere points out his long service on Scarborough council and his representation on various committees and studies of AMO. For my sins, I laboured in a lonely struggle on the labour relations committee of AMO. I must say I have never encountered a group of people whose views were more antithetical to labour than those mayors and reeves in Ontario. Tories all, and long may they burn.

At every meeting, the first discussion was, "How can we take away the right to strike of civic workers?" That would be the first item. Then the second item would be, "How can we smash the firefighters?" Some of my pals kindly provided me with this helmet to wear at AMO labour relations meetings because all this vicious, anti-labour stuff kept raining out of the ceiling from—I am trying to think whether it was the mayor of Picton who was the worst, I cannot remember.

I got the third draft of this bill that was obviously written by some scoundrels and I got the fourth draft. This goes back to 1983. This has been a long struggle, and I am thankful that it has been a long struggle. I can tell members why it has been a long struggle. It is because, for some

reason or other, the Solicitor General of those times, and perhaps even the Solicitor General of this time, understand that there are one heck of a lot of firefighters out there who do not share what the member for Scarborough-Ellesmere describes as a universal consensus about the way to deal with labour relations issues in respect of firefighters.

I would urge members of this House not to be confused by the benign words of the member for Scarborough-Ellesmere. There is no question in my mind that amendments such as he is recommending will clearly not improve the labour relations between management and the bargaining units. What the resolution masks is an attempt to take away workers' rights and to provide municipal councils with a mechanism for refusing to compensate firefighters properly for the very important work that they do in all our municipalities.

I would like to read into the record what the leader of the Ontario New Democrats, the member for York South (Mr. B. Rae), said to Mr. Ferguson who is here in the gallery:

"We accept, as you do, that it is appropriate for certain workers performing essential services not to have the right to strike. However, we take the view that where the right to strike is taken away, it must be replaced by a fair and neutral process of arbitration. The changes being proposed by AMO fail to meet this standard. We could not support them."

I might point out as well that I spoke one time at the Redmond symposium, which is an annual event that happens in North America, at which firefighters from all over the continent gather to discuss issues of importance. Regrettably, at least for me regrettably, I was about the 15th speaker in a long line of municipal politicians and other somewhat egocentric folks. I made my little speech and I was particularly concerned at that time about the hazardous materials to which firefighters are often exposed and the lack of legislation that exists whereby it can be known what hazardous materials may be stored on a particular site.

I remember thinking that some people clearly have no shame at all in terms of what they would say to a group of workers. The last speaker was a man named Cliff Pilkey, and he stood up and said, "You should have the right to refuse dangerous work." Of course, the place dispersed into this incredible applause because that was a fairly crowd-pleasing remark. I recount the story to members because I think it is important to recognize that firefighters, almost entirely alone

among workers, do not have the right to refuse dangerous work. In fact, the very nature of their work exposes firefighters to incredible danger on every working day.

It seems to me that we have entrusted this important work to a group of people and it does not behove us to begin to nickel and dime at a collective bargaining process that firefighters have earned and deserve through their work over the years. I would find it personally hugely disappointing and I think somewhat ungrateful of us if we take that approach.

Mr. Speaker: The member for Simcoe East.

Mr. Cureatz: Durham East, Mr. Speaker. You did not have the privilege of listening to my past remarks on the throne debate. Otherwise, you would be more familiar with the great riding that I represent and the specific boundary changes that I went through.

In any event, I only have a few minutes this morning as opposed to the unlimited time that we have from time to time in various addresses. I know that is much to the chagrin of those in attendance on this Thursday morning, especially to the member who has brought forward this resolution.

We have to congratulate the member for Scarborough-Ellesmere on taking the initiative as a new member on the basis of the private members' hour. However, because he has done so I am right away a little suspicious of the motives that have taken place under this resolution. I give credit to the New Democratic Party member who very ably outlined some specific aspects in regard to the concerns that he has, albeit, as he indicated, the resolution seems a little vague and benign, and indeed it is.

The problem that I have is some sadness for the Liberal member, as much as I have respect for his past incarnations and various political endeavours, because he has come forward with a resolution, as we all well know in these chambers except for the new members who do not realize it, that is more of a policy statement. I think it is very useful and can be used. I have done it from time to time myself in these chambers. But in regard to this specific request that he is trying to bring forward, it could very well be done by a bill, by a specific piece of legislation that could have been brought in so that we could all have examined it clause by clause. He has not taken that approach and he has taken this overall general resolution.

What does that say to me? That says that maybe deep within the member's heart he is not actually in full support of this kind of approach.

Why is he not? Because the resolution that is brought forward is what we would call the trial balloon. There are going to be a lot of trial balloons down here on the front benches in the next four years.

I feel sorry for the member for Scarborough-Ellesmere because he has been set up with the trial balloon. He is a new member, bright-eyed and bushy-tailed, coming here enthusiastically with all kinds of great and wonderful things that he wants to do. Suddenly his name is drawn out of the ballot. He has to come up with something and he is scrambling. I know because I have been there myself.

Do I think for one moment that during the election campaign he has been thinking about this resolution to bring forward in private members' hour? Nonsense. There is no way. He was knocking on doors, much to his credit, and he got elected, but he was not thinking about this private resolution. Do members know what happened? He got in here, he got sworn in, we had the speech from the throne, suddenly his name was drawn out and someone down in the front bench—I saw the House leader wandering around already this morning. He is smiling like a Cheshire cat because he sucked the member in. Darned right, he did.

1030

The government wants to see what the reaction is going to be in terms of this so-called resolution. Now the Solicitor General, of whose ministry I am critic, will be able to go out across Ontario and say to AMO: "Don't worry, folks. We have got the resolution you have been talking about for years. Not to worry, we are working on it." She is going to put a cloud up front, a fog to dispense the idea that they are really going to be doing something.

If the front bench, the Four Horsepeople of the Apocalypse, had the nerve they would bring in the bill. They have got the majority; they can pass it. Oh, no, though, they are going to be cautious about this. They do not want to disrupt the firefighters.

I am sorry that the NDP member who spoke has left—no, he is wandering around. There he is. He said that the reeves on the AMO committee on labour are a bunch of Tories. Well, he has made a mistake. He should not leave. Those reeves were a bunch of Liberals because, obviously, with all the petitions that have been brought forward over the years through the Conservative administration, the legislation was not brought forward because there was a realization that there was some sensitivity, that there was some concern in

regard to the vagueness of this resolution that is being brought forward.

That is not to say they should not have done something, that is for sure. From time to time in caucus I was critical of my own party in terms of not moving quickly enough in some areas. They probably should have addressed this a little more closely to work out a better working relationship and to have an understanding of what is taking place down in those areas of the municipal concerns and the firefighters' concerns.

Now that the Liberals have a majority government, now that they have their 95 seats, they could have taken the initiative. They could have brought forward a specific bill and said to the firefighters: "That's it. The senior management is going to be considered not part of the bargaining process." And why? Then at least their colours would have been shown and it would have been revealed that in regard to the firefighters, the right to strike would have been taken away. And in the event, why? In terms of an emergency situation, there is a possibility of what? A lockout? So that those senior management people could still run the fire departments? I do not know.

I feel a little uncomfortable about that approach. As the NDP member well put it, "The firefighters are the one occupation in which the job is dangerous." I had the opportunity of going up to Gravenhurst in my former position as parliamentary assistant to the Solicitor General and saw the programs they have up there. I do not know if the member for Scarborough-Ellesmere has been up there. It is wonderful when one sees the kind of training that takes place.

They have a three-storey building in which firefighters have to train. They throw in mock fires and the firefighters have to put them out. It is a rough business, there is no doubt about it. In terms of looking at the press from day to day we can see not only around Ontario and Canada but also around the world that what takes place in fires is dangerous; people can get killed.

If that is the situation, then I do not think we should be taking a specific look at doing away with some of the concerns that the firefighters have. Indeed, they have a very unique responsibility. It is like that old story, I suppose, of the pilot of a jet. It is boring for 99 per cent of the time, but, boy, it is real hell for the one per cent. Likewise for the firefighters.

As a result, I think this resolution is too vague. It throws up a cloud so that the ministers, the Solicitor General and the four people on the front bench are going to be able to now go back to

AMO. I can see it all happening. They have put the stall on for four years. The heat will finally be on in about three years' time because the mandate of this government will be running out and it will have to go to the polls. Then they are finally going to have to make a decision as to which way they are going to go. Is the ministry going to bring in some legislation? I doubt it very much. All this is is a little sop to AMO.

I feel extremely sad in the depth of my heart that the member for Scarborough-Ellesmere was hoodwinked into bringing this resolution. I feel extremely sorry for him. If he had called me up and said: "Sam, you have been around for a while. The House leader has suggested I bring this in as a private member's bill. What do you think?" I would have said: "Listen, take your name off the ballot. Get comfortable with this place. Think of one or two of your own ideas that you as a member want to bring forward and not something that the front bench want to bring forward that has already been discussed in cabinet."

This government talks about open government. Let me say there are hidden plans and hidden agendas over there. This is one of the first signs of it coming forward. This is, as I said earlier in my remarks, the first trial balloon that is coming up. Now they are going to wait for the reaction of the firefighters out there, and if they are not too strong the AMO is going to get its way.

But if the firefighters, if I could use the pun, put on some heat, if the government realizes that it is not going to get away with it, that they are concerned about what this government is trying to do with these trial balloons—I say to other interest groups across Ontario and all the people at home watching on television in charge of interest groups, watch out for this crowd. This government is going to be bringing in these kinds of resolutions to see what is going to happen and the reaction that takes place. If the members do not react—as the people well know, there are not too many of us here in opposition for this time around, but there will be other times.

There are responsibilities to those concerned groups out there which they might be affected by resolutions. When these trial balloons come up, the members should be there speaking to all the Liberals across Ontario who have been elected and saying, "No, we do not like that." Get that across to the front bench over here.

I congratulate the member for Scarborough-Ellesmere for speaking so well in his first participation in debate in this chamber. I

acknowledge that obviously he has had a great depth of political experience, much more than I had when I was first elected. Unfortunately, we cannot support the resolution.

Mr. Kanter: Like the member for Scarborough-Ellesmere, I had intended to speak about the illustrious riding of St. Andrew-St. Patrick, which I represent, and some of the predecessors who have preceded me in that riding. However, in view of the changed circumstances brought about in part by the rather lengthy oration by the member for Durham East (Mr. Cureatz), I will not have that opportunity today.

I will say I am pleased to be speaking about the Fire Departments Act and I am pleased to be speaking on private members' business because that is an opportunity, one of the few opportunities in this chamber, where members can vote their conscience. In order to do that, it is useful to actually listen to the debate. I find that extremely interesting.

I am also pleased to be speaking on the Fire Departments Act because I do have some experience as a municipal councillor, perhaps not as much as my honourable friend the member for Scarborough-Ellesmere but perhaps a little more than my honourable friend who is now represented by the fire department helmet. In fact, I have had a little experience in the labour relations field as a lawyer prior to my municipal experience.

This motion on the surface appears attractive. The member for Scarborough-Ellesmere referred to the lengthy historical precedents of the Fire Departments Act. In my research I found that its origins go back perhaps a little farther with the Fire Departments Hours of Labour Act enacted in 1920 and the Fire Departments Two-Platoon Act enacted in 1921.

Indeed, the act may be outmoded in some of its wording. However, this motion put by my honourable friend must be seen in the context of a long-standing collective bargaining relationship between firefighters and municipalities and it must be seen in the context of efforts to improve the process which are now at a very delicate stage. It is my opinion that supporting this motion is untimely and may cause unintended consequences by damaging the collective bargaining relationship by further delaying the possibility of desirable change.

As all members are no doubt aware, the Fire Departments Act governs the labour relations between all municipal fire departments and full-time firefighters in Ontario. It affects a lot of

people. There are approximately 650 municipal fire departments and approximately 9,300 full-time firefighters in Ontario.

The act sets up a scheme whereby firefighters are permitted to form unions to bargain with committees of local councils, and the matter is sent to arbitration if the parties are unable to reach a negotiated settlement. If the parties are unable to agree on a choice of a neutral arbitrator, the Solicitor General may appoint an arbitrator from a roster of arbitrators.

I think it is very important that we note that while the act does not specifically preclude strikes, as a matter of fact there has never been a strike by firefighters in Ontario. I understand that the idea of strikes is totally contrary to the principles of firefighters and I think that is a principle that has stood the people of this province in good stead.

1040

I am certainly aware of the pressure to amend the act but I think it comes primarily, if not exclusively, from one side, from members of municipal councils who act as management with respect to labour relations. In their view, and I am not suggesting they are entirely wrong or entirely right, the current act favours firefighters to the detriment of local councillors and local taxpayers.

I would like to point out that some municipalities, including the one I was privileged to serve as a member of council, have had very good relationships with their local fire departments. In the city of Toronto, we have not had to go to arbitration to determine wages or salaries for over 30 years. We have had one grievance arbitration in the last 15 years and I think this shows that at least in some municipalities, including a large and sophisticated municipality, labour relations can proceed smoothly within the framework of this current act.

It is important to note that both the Ontario Professional Fire Fighters Association and the Provincial Federation of Ontario Fire-Fighters are extremely concerned about any amendments to the Fire Departments Act. They fear that amendments to the act, particularly along the lines proposed by the Association of Municipalities of Ontario, will diminish their bargaining position. In fact, the Ontario Professional Fire Fighters Association demonstrated against this proposed amendment at the recent AMO meeting which was held in Toronto in August 1987.

I did not attend that meeting. I was somewhat occupied with other matters. I understand my friend the member for Scarborough-Ellesmere

did take some time out from his busy campaign schedule to attend that meeting.

The motion presented by the honourable member for Scarborough-Ellesmere must be understood in context. It will be interpreted, rightly or wrongly, as an attack on firefighters. I would like to put into the record a letter that was received by the Ministry of the Solicitor General very recently from the Ontario Professional Fire Fighters Association:

"In our opinion, the resolution by Mr. Faubert is a backdoor approach on behalf of the Association of Municipalities of Ontario to trick the Ontario government into giving their endorsement and credence to anti-labour philosophies contained in AMO document 87-1. In light of the positive tone of our meeting on November 17, 1987, and the confidence that our association has regained through our dealings with Mr. Paquette—he is the assistant deputy minister in the department—"we perceive this motion is not in the best interests of the professional firefighters in this province."

I am not speaking on behalf of or as a representative of the Ontario Professional Fire Fighters Association but I do want to emphasize its perception of what this motion will do, the fact that this motion is perceived as upsetting the balance of the labour relations climate between two parties.

Reference has already been made to the problems of arbitration, the question of the number of arbitrators, the action of the previous Solicitor General in increasing the number of arbitrators. That was a measure that was taken at the behest of AMO and which I think on balance has been satisfactory.

I want to emphasize the very intensive review of the Fire Departments Act currently being undertaken by the Solicitor General. Since the current minister was appointed less than two months ago, she has personally consulted with both firefighter associations, the Ontario Association of Fire Chiefs and AMO. To be specific, discussions with AMO are scheduled later today.

The Ministry of the Solicitor General is engaged at this moment in delicate discussions with representatives of all interested parties to determine whether there are inequities in the bargaining process and how it may be improved. For the Fire Departments Act to be a workable and effective piece of legislation, it must be generally acceptable to both sides. This requires a balancing of interests, tradeoffs, compromises, give and take and a sense of commitment to the process by both sides. That is very important. It

is not just a question of what the Fire Departments Act says; it is also how any changes are arrived at.

I am concerned that to adopt the resolution as proposed would undermine the consultative process which is now going on by presupposing that such a process would result in a change in a certain direction. Both firefighter associations are now voluntarily and constructively co-operating in a review of the Fire Departments Act. If this motion is passed by this House, they could perceive that this House had precluded these discussions, had predetermined the results and that any further contribution by their groups would be irrelevant. This would be a serious mistake. It would give the appearance that this matter had been prejudged when it had not. It could result in an adversarial response from labour rather than one of co-operation.

The passage of this resolution today in my view would have a detrimental affect on the intensive review now being undertaken. I want to be absolutely clear about this: it could be that after the Ministry of the Solicitor General has completed its review of the act, legislation may be proposed. That legislation may well encompass some or all of the matters referred to in the motion of my friend the member for Scarborough-Ellesmere. It is expected that the consultations will be completed shortly and that any legislative proposals will be before this House in approximately one year.

I realize this process has gone on for a very long time. The member for Scarborough-Ellesmere is correct when he points out that there have been discussions since 1968 or 1969 on this subject, but the process is now going extremely well. The minister is committed to consultation, the staff are committed to consultation and the parties are committed to consultation. There is a sense of momentum on this issue. Passage of this resolution could upset that momentum. It could lead to the withdrawal of two important parties in the process. It could lead to continued stagnation and inaction. Therefore, I urge all members of this House not to support the motion put by the member for Scarborough-Ellesmere.

Mr. Callahan: On a point of order, Mr. Speaker: I came here, as did many of my colleagues who are in the government party, to sit and listen to the debate and I think it is tragic that of the official opposition there is one person here and of the third party there are only three people here.

The Deputy Speaker: Thank you for your point of view.

Mr. Jackson: On a point of order, Mr. Speaker: That was rather quite unparliamentary by the previous member. I ask the Speaker to check page 103 of Beauchesne's rules, paragraph 316: "...it has been sanctioned by usage that a member, while speaking, must not:...(c) refer to the presence or absence of specific members." I think it was rather unparliamentary. Let us have some leadership from across the floor.

The Deputy Speaker: We agree with your judgement. That was quite correct. The member for Hamilton Mountain for up to eight minutes.

Mr. Charlton: I will just take a moment to point out to the member for Brampton South (Mr. Callahan) that perhaps our attendance on these matters reflects our caucus's confidence in our positions and abilities on these issues.

I would like to start my comments by saying to the member for Scarborough-Ellesmere that I think we understand where this resolution comes from and what the basic concerns are. But I have to say to him very frankly that I do not think he has looked very carefully at what the real impact of what he is proposing will be. He mentioned in his comments that he has had some labour relations experience. As one who has sat on both sides of the bargaining table, on the labour side and on the management side, I think he fails to understand one of the major flaws in management's approach, not just with municipalities, fire departments and police departments, but in general management's approach to bargaining units and exclusions from bargaining units right across the board.

I came out of the Ontario public service where of the 60,000, 70,000, 80,000 or whatever number we are at now in Ontario, one in every four is excluded from the bargaining unit. That is one of the major failures in the Ontario civil service in terms of its labour relations. I want to tell the member for Scarborough-Ellesmere that with the former Solicitor General and one other member of the Liberal caucus I attended the Ontario Professional Fire Fighters Association convention last year in Kitchener. It is not just the view of the executive of the firefighters association that these kinds of things are being opposed. The membership is very strongly in opposition to the kinds of things that are being proposed here.

1050

One of the reasons firefighters so strongly oppose what is being proposed here is the same reason that any member of any trade union opposes the continuous moves by management to always exclude more and more people from the bargaining unit. The reason labour people in

trade unions oppose these moves is because it continually reduces their ability to have those who manage or supervise the day-to-day operations of a fire department, a police department or a steel mill—it separates those who supervise the day-to-day work from those who have to do the day-to-day work. It builds a wall between those who have to have the closest relationships in the operation in question.

Do we in this House not think that it is important that the senior officers in a fire department are on a day-to-day and continuing basis aware of the concerns of the average firefighter and what he has to face in a very dangerous situation? Do we in this Legislature not think that is probably the most important thing that has to happen in a fire department, that the person who is ordering a firefighter to do this or that particular act has to know and understand, because of the discussions largely that go on at trade union meetings or association meetings in this case, how those members feel about that thing, how they feel it should be done and what is the best way to accomplish the job in question?

Do we want to build a wall between those people who are assigning the tasks and those people who are trying to accomplish the tasks? Of course we do not, but that is the start of what happens with resolutions like this.

I would just like to take a couple of quick moments for those members who have had some labour relations experience and understand the free collective bargaining process to read a couple of the recommendations in the OMA brief, 87.1. This is on the question of arbitration, for example, where the arbitration panel will be a three-man panel, one appointed by management and one appointed by the association and one to be mutually agreed, but if they do not mutually agree on the third arbitrator within five days, in this recommendation, either of the parties can request the minister to appoint.

Now maybe one can start to understand why these firefighters are so sceptical about what would happen if this Legislature started to move in this direction. I put this in a situation where almost always the association would have no say in who the third appointee on the arbitration panel is.

"Each party shall identify to the other and submit to the board of arbitration not more than three issues in dispute between the parties or such other number of issues which the parties may have mutually agreed to." It puts management in the position of saying, "No, we are not going to mutually agree to any more than three." If there

are 55 outstanding issues, if that is the size of the impasse, we are going to end up with three on the arbitrator's table. Then it goes on to say, "Any other unresolved issue shall remain as the collective agreement now sets it out."

These are the kinds of recommendations that are just ripping the guts out of the free collective bargaining process. In addition to taking away the firefighter's right to strike, to have some leverage in his bargaining process, we are also going to rip the guts out of the very basic process that we have left him with, a process that we all understand has to be fair and balanced if it is going to work.

Several of my colleagues have mentioned this kind of approach. The member for Riverdale (Mr. Reville) and the member for St. Andrew-St. Patrick have mentioned that not only does a process have to be balanced but it also has to be perceived as being a balanced process. With these kinds of words and these kinds of approaches to labour relations between fire departments and their firefighters, we will not only have, as the member for St. Andrew-St. Patrick said, firefighters who perceive that the process is an unfair and unbalanced one, but in fact if these kinds of recommendations were ever put in place in the act, we would have a process that was extremely one-sided, a process which the fire departments of this province could abuse severely. Not all of them would, but why would we as legislators even want to consider making the potential for that to happen possible.

I thank you, Mr. Speaker, for the opportunity to speak on this resolution and I will stand to oppose it.

Mr. Faubert: It is interesting to note that I respect the standing orders of the chamber and I shall not indicate that the arguments of the member for Riverdale are about as empty as his hat that is sitting on his desk over there. It is unfortunate that he gave his remarks and left because in my opening remarks, I pointed out that I did not want this construed as an attack on the fire service. It is a service I have nothing but the greatest admiration for on a man-to-man basis.

It is interesting to note that the member for Riverdale quotes the Association of Municipalities of Ontario as the sole source of wanting change. It is true that AMO has been one of the collective sources because it is an association that speaks on behalf of municipalities across this province, but it is not the sole source. They never mention the fact that the Ontario Association of Fire Chiefs wants these changes. They never

quote the Ontario Association of Personnel Officers.

I would like to quote, if I might read into the record, a comment from David Cowie, who is supervisor of the Fire Underwriters Survey, Ontario Region, which is financed by the Insurance Bureau of Canada. "These management problems result from restraints that appear to be imposed in large part by labour arbitration rulings based on the firefighters' collective agreement and an outdated, unsuitable provincial Fire Departments Act." They have a subnote, "Amendments to the act have been under consideration for several years," which is an understatement.

It is also interesting to note that the member for Riverdale introduces into the debate the unfortunate tone that typified past debates and one can never get past this tone. It is a direct and honest attempt to bring this forward so that these problems can be reconciled. It is interesting to note he also quotes the member for York South (Mr. B. Rae), who is here. I am just wondering if this is the same member who is a member of Jeffrey Sack Associates, a firm that handles arbitration on behalf of the firefighters. I am just asking the question.

Mr. B. Rae: Mr. Speaker, on a point of privilege: Since the member has raised a personal point in the House, the member should know that I was at one time associated with that firm but I have not been for over a year.

Mr. Faubert: OK, that is a point of information.

The member for Durham East had an interesting argument. For some reason he puts this down as being some strange conspiracy put forward by the government House leader. I can assure the member that there is no such conspiracy and no suggestion has been made that such a resolution be brought forward. It is not flying a kite. It is something I have worked on and I am concerned about. I am concerned that there has been no action in this field and that there has been no legislation forthcoming.

I should give one last comment to the member. If he were here, I would suggest that he should have been privy to the caucus debate on the matter. He will see that it is not an issue that is uncontroversial. Everyone understands the aspects of it; they understand both sides of it. They seem to also understand some of the issues that were brought up by the member for St. Andrew-St. Patrick, but he just raises the old doubts and arguments. He has actually put nothing new here. I am surprised, though, that as a former

parliamentary assistant to the Solicitor General, he would put forward those remarks because they seem to come from the department and they are the old ones that have always come forward from the department in defence of inaction by the Solicitor General's department.

Basically, in summation, I believe this Legislature should find that the present Fire Departments Act is in need of amendments and is deficient in the following, and I would ask the Legislature to support the resolution before them for the following reasons:

There is nothing in the Fire Departments Act similar to the requirements of the Police Act that municipalities maintain an adequate level of fire protection services. That is an interesting aspect that is not in that act. It follows that, for the very obvious public policy reasons that dictate the statutory requirements of the Police Act, a similar provision should be included in the Fire Departments Act. The officers, to at least the rank of district chief, should be, by way of amendment to the act, provided with organizational privileges similar to those enjoyed by police officers under the Police Act.

I respect the comments of the member for Hamilton Mountain (Mr. Charlton), in deference to his background in the Ontario public service and the collective bargaining process experience he has, but I point out that it is the fire chiefs themselves who are asking for this, asking that they be separated from the bargaining unit.

I would point out that the Fire Departments Act provides for mandatory arbitration without any intermediate steps. It is the only piece of labour legislation in Ontario that does not provide for a series of impasse resolution procedures such as conciliation or mediation.

Finally, I would point out that criteria should be established by which arbitrators would be required to frame their awards; that is, to be cognizant of all economic factors within the municipality they are making a decision towards, as well as criteria such as those found in the Crown Employees Collective Bargaining Act, an act established for all provincial employees.

Yes, it is a tough decision and there are some sensitivities about this decision—indeed, it is a very controversial one—but it is time for this Legislature to realize there are decisions that simply have to be made, not because they are simply politically expedient but because they are necessary.

1100

TRADE WITH UNITED STATES

Mr. Morin-Strom moved resolution 5:

That in the opinion of this House, recognizing the deplorable free trade agreement negotiated between the government of Canada and the government of the United States as a sellout of Canada's sovereignty and independence and a threat to thousands of Canadian jobs, the government of Ontario should ensure:

1. That the government or Legislature will not approve or implement any part of the agreement falling within provincial jurisdiction;

2. That the government or Legislature will not pass any laws or orders in council to comply with the agreement if the agreement is formally signed by the two federal governments and approved by their respective national legislative bodies; and

3. That the government and Legislature will pursue every constitutional, legal and political channel to express its opposition to this free trade agreement.

Mr. Morin-Strom: This, I believe, is a very important resolution and I very much appreciate the opportunity, on the first day of private members' business, to present it before the Legislature and hopefully to come to a vote at 12 noon, a vote that I fully anticipate will give Ontario legislators a chance to take a stand one way or another as to how strongly we are going to fight this free trade agreement. I do not think there can be any doubt that this agreement is a bad deal. It is a bad deal for Canada, it is a bad deal for Ontario and it is up to us to stand up and take action on this agreement. It is a bad deal for the future of our children.

The Premier (Mr. Peterson) has talked at length about his opposition to the agreement but to this point we have not heard any specifics from the government of Ontario, other than in one area, that the government is going to take active steps to fight this agreement.

This motion does state that the government will take action not to approve or implement any specific items within provincial jurisdiction that might be part of this agreement; that the government or Legislature will not pass any additional laws or orders in council to comply with the agreement; and that the government and Legislature will pursue every constitutional, legal and political channel to express its opposition to the free trade agreement.

At the outset, I want to state that as an economic concept free trade could be of benefit to Canada and it has been a benefit in terms of our trade relationships with the United States and other countries around the world. The access, the opportunity to exchange products back and forth between countries obviously is a benefit and no

one is questioning whether we should open up trade relationships or pursue further trade relationships with the United States or on the world scene.

The issue is the perspective of the government that has negotiated this agreement and the specifics in the agreement as they have resulted. In terms of an economic strategy, this particular initiative is not a solution to Canada's unemployment level, to improving our way of life and our standards of living into the future. It does not address the need for an industrial strategy that would give us a more balanced, more diversified economy. We still need to look at how we can develop those kinds of competitive, strong industries in market niches that Canada can and should be pursuing.

We do not have a strategy from our federal government. I do not think we have a sufficient strategy from our provincial government in terms of encouraging such things as research and development, better education facilities, more relevant education and training, infrastructure to support the various areas of our country, infrastructure such as improved transportation links.

We certainly do not utilize in particular the people potential of our country. We have an unemployment rate that is far too high and as long as we do not pursue and have as our top priority a policy of full employment, we are misusing and underutilizing our most valuable resource and that is our people.

We could be using them, and we could look at other countries such as Japan, Austria, Sweden, other countries with advanced industrial economies that are utilizing their people resource, that have a concerted plan, that are working together, workers, companies and government, to ensure that their economies are running at as high a percentage of their capability as is possible. We have not been doing that and, as a result, we have people who are not contributing in areas where they could be contributing and want to contribute. As a country and as a province, we have to do something about that.

Canada's trade with the United States is an open one. We have the largest two-way trading relationship in the world. There is no question that we have a comprehensive trade relationship with the United States. Canada is not losing in that trade relationship. We are very successful and why the federal government would want to embark on this initiative at a time when we were running a tremendous surplus in our trade, is

beyond me and beyond the comprehension of many of the people of this country.

Sure, there are irritants and many specific industries have been facing various protectionist threats from the United States. Many companies have been running scared. However, the facts are that the trading relationship continues to grow between the two countries and we continue to be running one of the largest surpluses between any two trading nations in the world.

Why we would risk our position at a time of vulnerability is beyond me.

What are the benefits going to be in the resulting trade agreement? That is one of the most serious questions. We have seen giveaways, just to stay in the agreement, over the last two years by Brian Mulroney and the federal government. We have had giveaways on cruise missile testing, giveaways on foreign investment review, giveaways on the national energy program. We have just recently had the generic drug bill passed, which will cost consumers, particularly the elderly, considerable sums in the years to come. We lost on the shakes and shingles case. We lost on softwood lumber. We have just not stood up whatsoever to the Americans in our relationship.

1110

In return, we now have a trade agreement that has been negotiated between the two countries but it has not accomplished even what some of the major industry interests have requested in terms of these negotiations. There is no dispute settlement mechanism. It does not provide for a fair trading relationship between the two countries. We are still subject to discriminatory US rules and laws on that trading relationship.

Even the winners, for example the steel industry, which is of so much importance to my home community, has been touted as one of the industries that would gain from an agreement with the US. However, the steel industry has received no exemption from antidumping or countervailing duty legislation. There has been no rollback of the current duty on stainless steel. There has been no agreement even to eliminate the restraint import quotas that are currently in effect on a voluntary basis between the United States and Canada. The steel industry says it anticipates continuing to have to live within the 3.5 per cent quota of the US marketplace, a steel marketplace which is declining in size, and as a result has gained nothing in terms of its export potential. The only thing they can say for the agreement is that we have maintained the status quo.

The argument against so many of the opponents of this whole free trade initiative has been that we were the proponents of the status quo. In fact, it is now the supposed industrial winners who claim they are happy because they have been able to maintain their status quo. Meanwhile, in many other weaker industries that are not as competitive and will be subject to disadvantage in terms of tariffs dropping, we have put at risk many thousands of workers.

Our own government of Ontario study has recently come out and shown that potentially 400,000 workers across the province are threatened. This covers more than 50 industries just in Ontario alone. As well, our most important and our strongest industry, the auto industry, not included in those figures, is threatened in the long run.

Sure, we have a very competitive auto industry today, but that was put in place largely as a result of the auto pact negotiated 20 years ago, which has provided the protections to ensure that the auto companies would produce here in Canada. We do not have control of that industry because we do not own that industry. As a result, we have the protections that the auto industry has assured us it will produce vehicles in Canada up to the number it sells in Canada and will include a percentage content of Canadian value added in those vehicles.

Now the auto pact has been gutted, and it has been gutted because there will no longer be any penalty whatsoever for a company which does not meet those targets. Five or 10 years down the road, if the exchange rate changes, if the competitiveness of putting the production in an Ontario plant versus putting it in a Michigan plant changes as a result of that, we could be looking at a very different scenario than today, where the auto companies, profit-minded as they are, will look at taking off the production from the Ontario plant and putting it in where the low-cost plant will be some time in the future. The only protection we have is the auto pact and the Canadian content requirements that are in it.

One of the most serious threats is the threat to regional development. This agreement does nothing to protect the long-standing Canadian interest in protecting regional interests and ensuring that those areas of the country which are farther away from the major population bases can receive stimulus, can receive special support from our country as a whole or from specific provinces and that we can generate a better way of life, a better economy, a better standard of living for people in the more remote areas of our

country. Certainly, historically, we have done a far better job of that than the United States.

Even here in Ontario, northern Ontario continues to suffer with a much higher unemployment rate than the south. We have to have the opportunity to put stimulus into areas such as the north. What does a complete free trade agreement do? It gives the United States potentially complete access to our resources, but our resources are limited. They are being utilized up to their potential at this point. Our problem is getting as much value as possible out of those resources. We do not want to see those resources going out. We do not want to see our forest products and our minerals going out in raw form to the US in massive quantities, depleting them beyond their sustainable yields in the longer term.

What we want to do is get jobs and get value and get finished products out of those resources. We have to have the right to insist that those resources be processed in the areas where they are coming out of the ground or coming out of the woods or utilizing our water resource for hydroelectric power or other uses as well in the areas where they are.

The Americans will never shut off access to our resources. They want our resources and, as a result, the protectionist threat has never been a threat to those resource-based regions such as northern Ontario. However, those areas have gained nothing from this agreement, and in fact it has put in question the possibility that incentives and programs put in place to support new industry in those areas will be subject to countervailing action in the US and punitive duties as a result.

The Premier of this province made a commitment during the election campaign, a commitment to stand up and fight a trade deal and in fact a clear commitment that there would be no trade deal if a number of conditions were not met. The Premier stated that if regional development programs were threatened, there would be no deal. There could be no deal if agricultural safeguards were no longer going to be permitted. There would be no deal if Canada gave up the right to screen foreign investments. There would be no deal if cultural safeguards could not be maintained. He stated quite clearly that there would be no deal if there was not a binding dispute settlement mechanism. Finally, there would be no deal if the auto pact was gutted. The Premier stated that was his bottom line.

In fact, these areas have not been met in this agreement. It is imperative upon this government

and this Legislature to take a clear stand now that the Premier's commitment that no deal will happen will be the top priority of this Legislature.

At this point, I will relinquish the floor and reserve two minutes at the end.

Mr. Pollock: I was not really figuring on getting involved in this debate, but there are a few things I would like to put on the record in regard to this particular motion.

1120

The motion mentions "a sellout of Canada's sovereignty and independence." I would certainly like the member for Sault Ste. Marie (Mr. Morin-Strom) to spell that out more specifically. I really do not know for sure what he means by a sellout of our sovereignty. I know that in Europe they joined and formed a common market and, as far as I am concerned, the fleur-de-lis is still flying over Paris and the Union Jack is still flying over London.

Mr. Wildman: It is the tricolour, for heaven's sake. The fleur-de-lis went out with the Revolution.

Mr. Pollock: Anyway, I would certainly like the member to spell that out in the few minutes he has left in his wrapup and explain that.

As far as our independence is concerned, just what does he mean by our independence? How far do we carry our independence? One minute he mentions that he likes and wants to trade with the United States. I certainly do not believe that we are going to board up our borders. We will always be trading with the United States. I know over a period of years my father, who was a dairy farmer, has sold cattle to the Americans, and at that particular time we were glad to have that market in the United States.

In the recent election campaign there was no question that free trade was a real issue. I got calls continually about it in the election campaign, people voicing their concerns about what was going to happen to supply management, to the dairy industry and to the feather industry. People stated that they were very concerned that these markets would go away.

Well, I share that concern because I still have my dairy farm, but I want to put on the record that even though all this talk was going around, the price of number 1 quota in the supply management system stayed reasonably high. The feather industry also voiced its concerns and claimed that it could not begin to compete with the United States because of the big vertically integrated plants down in North Carolina. It claimed it could not compete.

I might state that, after the election, I called up a broiler producer and had a talk with him. This was not only after the election, it was after the free trade decision was announced. Well, he said he was still quite concerned, but he mentioned the fact that under the former agreement the Americans were allowed to take 6.2 per cent of the broiler industry, but that did not include such products as TV dinners, packaged dinners, cordon bleu and that sort of thing.

Under the new agreement, the Americans are allowed to ship in 7.5 per cent of that market. He is not sure whether, under the new agreement, TV dinners, cordon bleu and those packaged dinners are covered.

Mr. Wildman: Shouldn't we wait until we get the final wording so we know?

Mr. Pollock: Well, if they are covered, then he said the deal basically, for his industry, is every bit as good as it was before.

Mr. Wildman: But we don't know, do we?

Mr. Pollock: No, we don't know; we have got to wait to see the final draft.

Mr. Wildman: Why don't we wait for the final wording?

Mr. Pollock: Of course, you fellows put forward the motion saying that this is a poor deal, so the onus kind of falls on you in that respect.

Anyway, I might also mention that Brigid Pyke and delegates from the Ontario Federation of Agriculture have met with our caucus, and I am sure that they met with people from other caucuses. She said—and this was after the free trade deal had been struck—

Mr. Wildman: They voted against it this week.

Mr. Pollock: Not the final draft but the original announcement, and she said she was very concerned about free trade even yet and she wanted to see the final draft, but she was not about to recommend that they tear up the deal.

Mr. Wildman: The OFA voted against it this week.

Mr. Pollock: Well, that might be the majority, but that was her opinion, anyway. That is what she told us, and here is a gentleman who was right there with us who verified it.

So those are a few things that I would want to put on the record, and on top of that, as far as Mr. Broadbent or Mr. Turner saying that they are going to tear up this agreement: sure, they might tear up the agreement; it would be another thing like the Joe Clark syndrome on gas. Joe Clark came out with that policy of putting 18 cents' tax

on a gallon of gas and, of course, the people turfed him out of office because of that, but it was only a matter of time before the new administration put a 37-cent tax on gas. I firmly believe that if this free trade agreement is torn up, they will only bring out another agreement with a few more i's dotted and a few more t's crossed, and it will be basically the same.

I just wanted to put those comments on the record.

Mr. Ferraro: It is a pleasure for me to rise and give some comments in regard to the motion of my friend the member for Sault Ste. Marie. I know how deeply concerned all members of the House are, and in particular the member for Sault Ste. Marie, with whom I have had the pleasure of sitting on the standing committee on finance and economic affairs which dealt, by and large, with free trade for the last couple of years.

It is important that with such an important issue—and it is indeed an important issue; it is probably the most important issue, certainly in my lifetime and that of most of the members of this House, that we are going to have to deal with, at least to date—it is important that, while we cannot help but speak emotionally, we look at it from a factual point of view.

The most important point, I guess, as far as my government is concerned—and we are clearly on the record as saying we are opposed to this deal, but indeed, we need a free trade agreement of some sort. What we have said unequivocally, in no uncertain terms, is that this deal, quite frankly, is not acceptable and stinks.

Why have we got this deal? Well, we have got this deal because, notwithstanding the fact that Prime Minister Mulroney was against the idea of free trade prior to the federal election; in light of the fact that we have had a lot of protectionist bills presented, which affect, of course, our different sectors as a country and as a province, and that the threat of the US trade omnibus bill lingers, and hundreds of other protectionist bills, we do need an agreement of some sort.

Unlike my friends from the New Democratic Party, who believe we can deal with disputes as they arise, my party believes, and I think it is safe to say the Conservative Party believes, that we do need to talk to them, to have some negotiation, to have a contract. But not this one.

Well, what is bad about this one? The most important part, the heart and soul of any agreement—the Premier and the Minister of Industry, Trade and Technology (Mr. Kwinter) have said this on a number of occasions; most politicians have said it—is that we need a dispute

settlement mechanism. If we did not have the US launching all these countervail and antidumping laws, we would not have any problem; but the fact remains, we do. The present system of going to the international trade courts and subsequently going into the courts is too long and costly. We have experienced that in Ontario with the steel dispute that cost us well over \$1 million and a lot of time and anxiety. So we need a better system.

What did we get? This heart and soul that Mr. Reisman and the federal government have come out with, quite frankly, is nothing but a fraud. Peter Murphy, the chief US negotiator, in the spring indicated in a memo that was leaked to the public that the United States had to come up with some form of dispute settlement mechanism to save face for the Canadians in order for them to get it signed. Peter Murphy said that.

Now, that is what we are working with from day one: “We have to save face for the Canadians.” It is not: “We need a legitimate dispute settlement mechanism to solve all this aggravation, to make the relationship better.” And as a province, we do trade 90 per cent of everything we export with the United States. “We have to save face.”

So we have got a panel that is going to decide the issues on the basis of whether or not the accusation, be it from Canada or the US, conforms to that particular country's legislation. That is all it does. It has no teeth whatsoever. It says: “Yes, you can do that according to your laws, United States,” or “No, you cannot.” That is it. If it does not conform, the US Congress can still change the legislation. Well, that is wonderful. It is useless. There are no teeth, and that is extremely sad.

1130

So we do not have secure access, not at all. This agreement, I am told by the experts, if you will, in the ministry, states that of the five US antitrade, antidumping laws that deal with Canada, four are completely exempt and one is only incidentally changed, so the status quo remains.

Now, what do we talk about? Let us talk about the energy thing. The energy situation now is—and I might point out that two days before, I think it was October 4 that the deal as we presently know it was presented—two days before it was presented to the provinces and the public, the premiers did not know the scope of the oil pricing agreement.

So we have this cloud of mystery, and all of a sudden what they are saying is—and what they are saying, quite frankly, is alarming and I resent it

not only as a politician but as a Canadian: "Now, Canada, you have to charge world prices for your oil." The premise, of course, is that Canada is self-sufficient in gas and oil and the United States is not. What that means is—and I heard the Leader of the Opposition (Mr. B. Rae) on TV and I agree with him entirely—you have a continental oil pricing agreement where you, as a sovereign country, cannot regulate your own price, and it is Canada's resource. If you want to sell oil more cheaply to your own countrymen, you can no longer do it. The fat cats sitting around a table in New York or wherever are going to regulate the price. That is disgusting.

Yesterday, a Senator in the United States, quoted in the *Toronto Star*, said, "Canadian Oil Request 'Insults Sovereignty' US Legislator Says":

"Canada's demand that the United States halt oil development near the Yukon border is an insult, an American congressman has charged.

"The move 'is an affront to the sovereign right of the United States to determine our own energy and national security interests.'"

There is an obvious double standard on this continent. It is OK for the United States to do what it wants, but not Canada. That is disgusting.

I can remember going down to Washington, and Congressman Dingell, I believe, a very important congressman down there, put his arm around the chairman of our committee and said—in camera, of course—"Look, son, what we Americans really want is a fair advantage." There is more truth to that than rumour.

Foreign investment: Michel Côté told me they got rid of the Foreign Investment Review Agency, it was bad—even though I think 97 per cent of everything FIRA looked at was approved. What they have got is Investment Canada. At that time they looked at 2,200 proposals to buy in Canada. None were rejected. That is good; I am not against investment. What we have in this deal is an arrangement, if it goes through in this format, that by 1993, of 7,000 corporations, 6,500 can be acquired by the Americans and we cannot do a doggone thing about it.

Again, the Leader of the Opposition and, indeed, the Premier and the minister have said that, basically, if you lose economic control of your country—and you would, and that is the worst-case scenario, I admit—then indeed you do lose control of your country. So sovereignty is at risk.

I want to talk about the timing. The deals presented on October 4 were promised a final text within two weeks. We are told as of today that we

may get it in mid-December. We as a country have to have it approved by January 2, because that is the date the President of the United States has to sign it, it is according to the trade bill that he got approval to negotiate this deal.

We are being rushed. We do not have the final text, and that is disgraceful on such an important issue, absolutely disgraceful. One of the scenarios being presented here is, "Well, Canadians, you do not have to know;" and they do not know. Some 81 per cent of Canadians do not know what the deal is all about. That is unfortunate. Yet we have to make a decision by January 2, and we will not get the text until mid-December. That is ridiculous.

In conclusion, I have no problem with the first two clauses of the private member's resolution. The third one, however, does give me a problem. It says quite blatantly: "That the government and Legislature will pursue every constitutional, legal and political channel to express its opposition to this free trade agreement."

Firstly, we do not know what this agreement is. We will not get it for two weeks.

Secondly, we much acknowledge and accept—and we do, and obviously the opposition does not—the inalienable right of the federal government to negotiate this contract. Yes, the Premier came out during the election with a number of clauses that said, "If this is not protected, then we cannot support it."

In the deal presented today, the only area of provincial jurisdiction is the wine area; 97 per cent of it is totally in the federal jurisdiction. The Premier has come out and said, without hesitation: "We are not going to support that. The degree of subsidy reduction in the first two years is too punitive." On the opposite side of the fence we have said, "We are going to go to the General Agreement on Tariffs and Trade and pursue our rights in that regard."

I say with respect, to the opposition in particular, it would be counterproductive for this Premier, who has fought so hard to make the Meech Lake agreement strong, to build this country, then to turn around and say, "We are going to do everything we possibly can to arbitrarily negate this deal," without knowing the deal, without saying that we are going to get rid of our cost-sharing agreements, without saying that we are not affected by any procurement policy.

I think it would be inappropriate for this government, without seeing the final context, to suggest that we are going to oppose it at this point.

Mr. B. Rae: I am delighted to participate in this private members' hour and to comment on the speech that the member for Guelph (Mr. Ferraro) has just given. It really is astonishing because, first of all, the member states quite falsely—I am sure inadvertently, but quite falsely—that it is the position of the New Democratic Party that there should be no understanding or agreement of any kind reached between Canada and the United States.

It is quite interesting that it was our federal member for Essex-Windsor, the equivalent riding of Windsor-Riverside, Steven Langdon, who is our trade critic, who was the first federal member to put forward the idea several years ago that what was needed between Canada and the United States was a commission that had the capacity to bind and to deal with disputes as they arose, and that what we needed was some way of resolving disputes as they arose so that industries were not continually blindsided on either side of the border. So in fact, it is the New Democratic Party, if I can say so, that has consistently focused on what really is, I think, a legitimate goal of public policy in this regard, and that is that there should be some understanding as to how we arrive at the settlement of disputes.

Let me also say to the member that I think it is an utter fantasy, as I have been saying for a number of years, for Canadians to expect complete, unlimited, secure access to the United States market. Why would we expect the American Congress to give us access that we do not want to give them? Why would we expect any other sovereign country to give us absolutely untrammelled access, or completely secure access, as it is stated, to another sovereign country's market? It is a fantasy.

I can say that if, indeed, that is the Liberal Party's pursuit, then it should be no surprise to anyone in the House that the Americans would turn around and say, "If you want to have more secure access to our market, and if, indeed, you want to have absolutely secure access to our market, there will be a price to pay."

I think it is fair to say that the Liberal Party's position on this question is an utter fantasy, because they come in and say: "We are all in favour of free trade. It is just this particular deal that we do not like." It is no wonder that there is a sense of disrespect, which I think is shared both by us as the official opposition and by members of the third party, the Conservative Party, the third party.

Mr. Callahan: Say it again. Say it a third time.

Mr. B. Rae: It has a certain ring about it; I have been listening. I have been on the other end of this one for so long, I have to get it out of my system. It will not last forever, but believe me, I have been down in that corner for so long, federally and provincially, it is just such a delight to not be there, even for a brief moment.

I think there is a certain degree of respect between ourselves, certainly between the former Leader of the Opposition, Mr. Grossman, and me. We had many meetings in which we used to talk about policy, which I think is a reasonable way to conduct business, and we used to comment on the fact that even though we disagreed emphatically on the question, even though we had a very different point of view about what was in Canada's interests and what was practical, we had an equal sense, I do not mind saying, of bewilderment and derision about the position that has been expressed by the Liberal Party in this regard.

The Liberal Party is saying it is all in favour of free trade, it is all in favour of absolutely secure access to the American market, but it does not want to sign an actual agreement that might have the effect of doing that because it would mean giving up too much. That is the position of the Liberal Party.

Mr. Callahan: That is pretty good advice, I would say.

Mr. B. Rae: Well, it has obviously been politically—the member for Brampton South (Mr. Callahan), who is known, I gather, in legal circles as the keys to the Don Jail, for reasons that I cannot quite understand; but nevertheless I have been told this is his nickname.

1140

Mr. Callahan: Phil must have given you that one.

Mr. B. Rae: He says it is obviously a very successful strategy, and I do not think there is any question.

Here we are, we are 19 hearty souls, as of today. Across the way we have a very large number of people, and 16 people here to my left in the third party, the Conservative Party.

There is no question that it has been a successful strategy, but it is not a strategy that is based on any sense of integrity, either political or intellectual. You cannot have secure access to somebody else's market, particularly when their market is 10 times larger than your own, without that somebody else demanding something quite extraordinary in return, and that is what this deal

is all about. That is exactly what this deal is all about.

What makes it a peculiarly bad deal is that we did not get very good access and secure access to the market, and in exchange for not getting that access, we still gave up an awful lot.

I have talked to the House many times on how I think the negotiating strategy federally has been wrong, even in terms of what they were trying to achieve as having been ill-conceived and ill-managed. I think the response from the provincial government has been politically easy, politically attractive, but in fact has not achieved the result which it claims it wants.

Now what we are saying, now that we have the bad deal—which we told the government it was going to get and about which the Premier said, “Don’t ask me to say anything about this deal, because I don’t know what is in it.” So he said: “I’m going to play it cool all the way through these negotiations. I’m not going to insist on things being off the table, I’m not going to make a fuss about things not being discussed before they are there. I might state it publicly, but I’m not going to make it a condition for my involvement in the prenegotiation period, because I do not want to prejudice what the results of the negotiation might be.”

The result of that laid-back strategy, where public posture was not matched in any way, shape or form by a private willingness to wield some kind of leverage, has been a deal which is a bad deal.

I think the Premier of this province shares some responsibility for the fact that the deal is as bad as it is. I know there are many who will see that as simply a partisan point, but I really believe it. I really believe that the strategy that has been followed by the provincial government has not been an effective one.

If they were genuinely interested in stopping this deal, it is something that could have been stopped some time ago, if the decision had been made at the provincial level that this deal was going to be of a kind that the government of Ontario could not conceivably support and therefore the government of Ontario two years ago was going to start to move all of its powers, legal and constitutional and political, in order to stop the bargaining from taking place in a way that would bargain away Canada’s sovereignty and Canada’s economic interests.

I believe the Premier has left it awfully late. I think it is fair to say, and again it is something I feel very strongly, it is much more difficult to unravel a bad deal, precisely because it is a deal

that is signed between two parties, than it is to stop a deal before it starts. Now we are in the business, frankly, of having to unravel a deal that is not in Canada’s interests and that is very certainly not in the interests of the people of Ontario.

We have been pressing for some months now, and some days now in this House since the recall of the House, to get this government to tell us precisely what it is going to do to stop the deal. They say: “Well, all of a sudden we discovered that the deal was not in our jurisdiction. We suddenly discovered that it was in federal jurisdiction.”

I would like to ask the Liberal members and the Premier—who is not here, he is never here for debates: when in the history of this country has the auto pact been a subject of provincial jurisdiction? It was not during the election campaign, and yet it was one of the conditions which the Premier set.

When has investment been entirely within provincial jurisdiction? Never. It was not during the election, and yet that was a condition he set. That was a condition he made.

He did not go down to Windsor and say, “I’m going to do everything within provincial jurisdiction to stop this deal.” He went down to Windsor and he said, “There can be no deal if it guts the auto pact.”

Yet once he is elected with this mammoth majority which he has, he turns around and says, “Well, there really isn’t very much I can do about the auto pact, except to say that I’m very concerned about this deal.”

One might well ask, what was the election about? I will tell you what the election was about. The election was about the Liberal Party getting a majority so it would not have to do the things that it would have had to do if the minority parliament had been allowed to continue.

That is true. It is true on free trade and it is true on Meech Lake. That was the real David Peterson agenda. That is the real Liberal Party agenda. The real Liberal Party agenda was to get itself a majority so it would not have to be accountable to the people of this province on free trade or on Meech Lake. We have seen it clearly. We have seen that unfolding. There is a new conservative majority over there and that is what this election was all about.

Mr. Sterling: I did not realize we were over there. The Conservatives in fact had—

Mr. B. Rae: They are the new conservatives. You are the old Conservatives.

Mr. Sterling: We are the old Conservatives.

I was happy to hear the leader of the official opposition concede the next election, that we are at least going to be the official opposition next time.

Mr. B. Rae: You are going to be here and we are going to be over there. It is rotation. It goes this way.

Mr. Sterling: Oh, the NDP is going to be over there. Okay. At least we get one step up. I said less than that in a TV interview and I found I had conceded an election four years in advance.

At any rate, I want to make a few comments with regard to this resolution. I find it ironic that we have the member for Guelph stand up and say: "This deal, the free trade agreement, the free trade debate, needs more time and more discussion. We need more detail before we make a decision on what we are going to do."

Yet, on the other hand, when we talk about the Meech Lake accord, a matter dealing with the Constitution of Canada, a document which will live with us in this country for years and years to come, we had a Premier sit in a room and not have the guts to walk outside of that room before cutting a deal, and he did so in a matter of hours. He did so without consulting the people in this Legislature or consulting the people of Ontario. He cut a deal which, in my view, is going to be very detrimental to this country. I hope to have more to say about that this afternoon.

We have also found out in the last few days that the Premier himself is not going to accept any amendments to the Meech Lake accord. He will not listen to discussion. We are going to have a committee that is going to study this matter for the next two, three, four months, and the discussion is going to go for naught. Why bother discussing it?

The other matter I find very much in conflict in the Liberal government's argument is the whole argument with relation to the dispute resolution mechanism and its argument about sovereignty and independence. When a country enters into a trade agreement, be it a multilateral trade agreement or a bilateral trade agreement, that country does give up some of its prerogatives to make trade policies. It either agrees with one other country, as in the free trade agreement with the United States, that it will not take certain actions in its law or will amend its law in such a manner that it will drop barriers as between them; or, in multilateral negotiations, the General Agreement on Tariffs and Trade negotiations, we agree with a number of other countries that we will give away the right to make trade law in

Canada so that we can have access to other countries' markets.

Now the Liberals, on the one hand, make the argument that the dispute resolution mechanism does not allow the binational panel, which is made up of Canadians and Americans, to change trade law in the United States and vice versa. They make the argument that they do not, and they do not have it under this agreement. But the Liberals argue they want them to have that right. Under that particular assumption, and I see the nods of the various Liberals, etc., the binational panel would then have the right to change energy policy in this country so that we could not offer energy at a lower price to domestic consumers than to Americans; it would have to be one price. That would be at market price and that would be available to not only Canadians but Americans. Yet in the very selfsame speech the member for Guelph gave to this Legislature a few moments ago, he wanted to make trade policy with regard to energy pricing. He wanted to have the right to give domestic consumers lower energy costs than Americans. That is not what he is arguing for in terms of the dispute resolution mechanism. He cannot have it both ways.

1150

The other matter I would like to talk to is the threat to these particular jobs that many people have talked about in various different reports. The Ministry of Industry, Trade and Technology put out a report saying that 400,000 jobs would be in jeopardy. But when you go into the study, you find that most of those jobs are in jeopardy anyway. They are not in jeopardy from trading with the United States; they are in jeopardy when trading with, for the most part, Pacific Rim countries.

The whole particular attitude of this government in dealing with this matter and producing reports has been a farce. It produced a report dealing with the dispute resolution mechanism, drawn up by some very noted lawyers here in Toronto. The summary of the report, according to the government, was that the dispute resolution mechanism was of no significance. Yet we hear today that another business group has had another noted law firm look at the dispute resolution mechanism and say it is the toughest that has been in place in any trading between two countries. What is one to believe?

Instead of trying to present the Canadian public, the Ontario public, with a reasonable amount of information so they can draw a reasonable conclusion, this government has

undertaken a record of producing propaganda. Quite frankly, it has been silly propaganda.

I would like to say one more thing with regard to the Meech Lake accord and the free trade issue. I think Canadians are confused as to who has the right to decide whether this country enters into a free trade agreement or it does not. That confusion is exacerbated by the role of our Premier, who has gone around this country and other countries and stated his opposition to this particular agreement.

If one were looking at it from the point of view of an American or a European—they must really be laughing at Canada. On the one hand, we have the Prime Minister of our country, the man who is supposed to be entrusted with taking on the role of making trade treaties with other countries, who in most countries has the right to make those particular decisions. On the other hand, we have a Premier who is going around to those selfsame countries and saying: “We are going to oppose it. We are going to stop it. We are going to do everything we can to stop it.”

In terms of the Meech Lake accord, what this Premier has done is to further weaken the hand of our central power to deal on issues such as this. As I say, I will be trying to speak at greater length to the Meech Lake accord this afternoon.

I had the privilege of going to a meeting with a number of General Agreement on Tariffs and Trade ambassadors with the Premier. There must have been a great deal of confusion on the part of those ambassadors about the remarks of our Premier, because our Premier was expressing his concern over the bilateral agreement. They must have been wondering and saying, “Who has the right to make these decisions in Canada?” Therefore, I think it is important that the premiers of our country take a constructive and active role in this debate, but that they be forthright in what they are doing.

During our recent election campaign, we found that this Premier was not forthright in how he and his party presented their platform to the Ontario public. They left the impression that the Premier of Ontario could stop this deal if he thought it was bad.

He says he thinks the deal is bad. Now I think he has an obligation to deliver on that promise to the Ontario public. I oppose him on his view that the deal is bad, but I tell the members that he has not dealt fairly with the public on this issue.

Mr. D. R. Cooke: First, I may say to the member for Carleton (Mr. Sterling) I am somewhat surprised he would take a look at the trade agreement and the dispute settlement

mechanism in that manner. We have just been talking about countervail, we have just been talking about anti-dumping, and those are the only areas where we were seriously concerned about dispute settlement mechanisms and were asking for an agreement that would be negotiated in that manner.

Mr. Sterling: You talked about trade law too.

Mr. D. R. Cooke: All right. We are asking for an agreement that would be negotiated in that manner, not negotiated the way the Mulroney government might end up doing so.

Second and more important—and I have only a short period of time—in so far as the first two demands are concerned, this resolution essentially is reasonable and I can support it. The third demand in the resolution is difficult to support because of the words “every constitutional, legal and political channel” and “this free trade agreement.”

Surely the member for Sault Ste. Marie is not saying to us that we should throw away our negotiations on day care that the Minister of Community and Social Services (Mr. Sweeney) is involved in at the present time. Surely we should not be seriously doing that at this stage in the game.

Surely he is not saying that we should be abrogating our discussions on tax reform that are going on between the Treasurer (Mr. R. F. Nixon) and the federal government. Surely we should not be doing that at this stage of the game.

To what extent does the official opposition seriously wish to have us put our heads in the sand? That is basically what they are asking us to do.

The position of this party and this government has been very clear. It has been clear to the public right from the beginning that this was something that was probably going to end up, and going to have to end up, in the Supreme Court of Canada.

Interjections.

Mr. Speaker: Order.

Mr. D. R. Cooke: The official opposition was saying basically the same things during the election campaign. They are just jealous now because they were not being listened to.

The fact of the matter is that we did not like the way the negotiations were going. We made that clear in September. We do not like the results that came out. We have made that clear since October.

I have not heard anything from any government member to the effect that we intend to do anything that is co-operative in so far as carrying

out these negotiations and carrying out this agreement is concerned, but I would admonish the government that it should continue to carry out those things which provide good government for the province and for the people of Ontario, regardless of whether or not it is helpful or a hindrance to the free trade negotiations.

Mr. Morin-Strom: I find it amazing that the Liberals would stand up in favour of most of this resolution, and then when it comes to the crunch in terms of trying to do something about fighting this agreement, which they say is not a good agreement, they say they are not going to pursue every constitutional, legal and political channel to express their opposition to it. The Liberals again want to be all talk and no action whatsoever on this agreement.

This agreement is a bad one for Canada. It does not give us the binding dispute settlement mechanism. It is a bad one for agriculture, for our farming community. It is a serious threat to regional development. It guts the auto pact, our most important industry in this province. It takes away the right to establish an effective industrial strategy for Canada in the longer term.

It is time for all of us to stand up for our province, for our individual constituencies and for the people whom this agreement threatens in the longer term.

I believe in Canada. We have a great country. Let us keep it that way and do everything we can to fight this bad deal.

1207

FIRE DEPARTMENTS

The House divided on Mr. Faubert's motion of resolution 3, which was negatived on the following vote:

Ayes

Callahan, Dietsch, Elliot, Faubert, Ferraro, Fulton, Jackson, Johnson, J. M., Mahoney, Neumann, Pollock, Reycraft, Sola, Velshi.

Nays

Adams, Allen, Ballinger, Breaugh, Brown, Bryden, Carrothers, Charlton, Cleary, Cooke, D. R., Cooke, D. S., Cureatz, Fleet, Harris, Johnston, R. F., Kanter, Laughren, LeBourdais, Leone, Lipsett, MacDonald, Mackenzie, Mancini, Martel, McLean, Miller, Morin-Strom, Nicholas, Nixon, J. B., Owen, Philip, E., Rae, B., Reville, Roberts, Sterling, Stoner, Sullivan, Swart, Tatham, Ward, Wildman.

Ayes 14; nays 41.

TRADE WITH UNITED STATES

The House divided on Mr. Morin-Strom's motion of resolution 5, which was negatived on the following vote:

Ayes

Allen, Breaugh, Bryden, Charlton, Cooke, D. S., Grier, Johnston, R. F., Laughren, Mackenzie, Martel, Morin-Strom, Philip, E., Rae, B., Reville, Swart, Wildman.

Nays

Adams, Ballinger, Brown, Callahan, Carrothers, Cleary, Cooke, D. R., Cureatz, Daigeler, Dietsch, Elliot, Faubert, Ferraro, Fleet, Fulton, Harris, Jackson, Johnson, J. M., LeBourdais, Leone, Lipsett, MacDonald, Mahoney, Mancini, McClelland, McGuinty, McLean, Miller, Neumann, Nicholas, Nixon, J. B., Owen, Pelissero, Pollock, Reycraft, Roberts, Smith, D. W., Sola, Sterling, Stoner, Sullivan, Tatham, Velshi, Ward.

Ayes 16; nays 44.

The House recessed at 12:17 p.m.

AFTERNOON SITTING

The House resumed at 1:30 p.m.

MEMBERS' STATEMENTS

QUEEN ELIZABETH WAY

Mr. Mackenzie: I think it would be useful to underline for members of the House, the government, and certainly the Ministry of Transportation, a very serious problem, one that has some real, impending disasters attached to it. I am talking simply about the congestion on the Queen Elizabeth Way.

Anybody who drives regularly on that stretch from Hamilton to Toronto will know that if you leave at eight o'clock, as I did this morning, on a good day it takes an hour and a half to get here. If you do not leave before six, if you leave between six and eight, you can be anywhere up to two hours or better on that stretch of the highway.

When you take a look at the congestion along there, the way people speed, the brief open areas of that particular highway, the kind of fumes we are spewing out into the atmosphere, the costs that are involved to motorists and others in terms of stop-and-start driving, the number of accidents that are a regular occurrence—I doubt there is a day without several accidents along that highway—and the number of major accidents we have, given inclement weather, it should underline very clearly that the highway has reached the maximum of its potential in terms of traffic.

With the heavy trucks and the cars on it, accidents can be a real disaster, and some of them have been over the last year or two. I am not sure of all the answers, but it seems to me it makes an excellent case for stepping up the agenda we have before us in terms of the rapid transit system between Hamilton and Toronto as one of the means of taking some pressure off that highway.

HOSPITAL FUNDING

Mr. McLean: My statement is directed to the Minister of Tourism and Recreation (Mr. O'Neil). Approximately four months ago, I alerted the minister's predecessor about the increasing number of hospitals in Ontario, including Orillia Soldiers' Memorial Hospital in my riding of Simcoe East, that are seeking government funding for expanded or completely new health care facilities.

The minister will recall that when my party was in power, we approved \$200 million in the spring of 1985 alone for hospital capital projects.

The list of required hospital capital construction projects has continued to grow at an alarming rate over the past two years.

We in Ontario need expanded or new hospitals. That means creative new methods for providing hospital capital funding must be devised for the growing demand. I urge the minister, as I did his predecessor in this Legislature last June, to meet with Ontario Lottery Corp. officials to devise a province-wide lottery aimed at generating funds exclusively for hospital construction projects.

The Irish Sweepstakes was quite successful for that purpose, and I firmly believe the success and popularity of existing lotteries in Ontario and throughout the rest of Canada are a good indication that the people of this province would support a new lottery, especially when they know that all proceeds would be used for expanded or new hospital construction projects in their own communities.

I urge the minister to vigorously pursue the development and promotion of a new hospital lottery program.

YULI EDELSTEIN

Mr. Offer: As members are aware, there is an all-party Ontario Legislature Committee for Soviet Jewry. The purpose of this committee is to bring to the attention of the public the plight of those Jews living in the Soviet Union.

As co-chairmen of this committee, I and my colleagues the member for Hamilton West (Mr. Allen), the member for Markham (Mr. Cousens) and in previous years the member for Beaches-Woodbine (Ms. Bryden) have added our voices with many others in decrying the deprivation of the most basic of human rights and freedoms accorded to the Soviet Jews.

Last March, our committee met with the relatives of one Soviet Jew, Yuli Edelstein. At that time we were informed of his plight, of his imprisonment, and of he and his wife not being permitted to emigrate from the Soviet Union. Our committee, indeed the collective voice of this Legislature, indicated to the Soviet authorities our awareness of the issue and the oppressive interference of the Soviet government, and requested their release.

It is with great pleasure today that I am able to introduce to the members Yuli Edelstein, released with his wife from the Soviet Union.

[Applause]

Mr. Allen: It is with great pleasure that I stand to represent our party and to express our great pleasure that Yuli Edelstein is with us in this Legislature this afternoon.

As a Hebrew teacher and mathematician of the Soviet Union, who is among the many refuseniks who have so boldly and bravely stood up over the years in the face of much persecution of the people of their religious belief in the Soviet Union and who paid a significant penalty for that in the form of detention, restraint, harassment and what have you, it is certainly a great honour and a great delight for us to have him here with us today, freed from all that difficulty.

We are always honoured by the presence of those who come to us from such circumstances of great suffering and persecution. They are a great example to us, who endure such lesser travails for the things we stand for in our country, and we welcome them. We are glad that Dr. Edelstein is settled in Israel with his family.

We hope this is yet one more example of a growing stream of movement of the refuseniks out of the Soviet Union but, more hopefully, I think we all would wish, of a greater liberty of expression and a freedom of religious belief and practice that will come to characterize that country in future.

Mr. Sterling: I would like to associate our political party with the remarks made by both my colleagues with regard to Dr. Edelstein being with us today. I think every one of us has written letters on behalf of many people who have been seeking freedom from Russia. I am not quite sure whether I wrote a letter on behalf of Dr. Edelstein, but I may very well have, because I do co-operate, as many members of our party do, with Amnesty International in putting one more voice towards the whole principle of releasing people like Dr. Edelstein from the Soviet Union.

We are pleased that he is with us. We are pleased that you have gained your freedom, and we will be pleased to help many of your colleagues from the Soviet Union in the future.

1340

RENTAL ACCOMMODATION

Mr. Owen: A critical housing shortage exists across the province, and it can be found in the riding of Simcoe Centre as well. Up until now, the city of Barrie has seen only 67 units built and occupied under the present programs. However, by this time next year Barrie should see 170 new units under construction, under the auspices of

municipal nonprofit and air force veteran organizations.

We have waiting lists of several hundreds, but this construction should start to address the problem. During their proposal call in January, it is anticipated that an application will be made for another 100 nonprofit units.

Under Project 3000, 15 units of special needs for mental health and mentally retarded have been approved. Under the convert-to-rent program, 40 units of student housing have been developed and another 15 units are scheduled for 1988.

Under the rent supplement program, we have about 40 units of family housing in new subdivisions and a further 50 units under a conventional apartment program. The town of Bradford has no Ontario Housing Corp. projects under way, but because of its rapidly growing population, I have met with Bradford council and the Lions Club to pursue a study and likely building program there.

In recent days, opposition members have criticized the Minister of Housing (Ms. Hošek) for a surplus of \$50 million unspent. The finger of criticism should be levelled at those opposition members who have failed to take advantage of these funds. Their duties are more than verbal jewels in this chamber and should extend to bringing programs of assistance to those in need in their ridings. Criticize the minister if the programs are not there, but let them criticize themselves and hang their heads in shame if they have not acted.

AUTOMOBILE INSURANCE

Mr. Swart: I hope the Minister of Financial Institutions (Mr. R. F. Nixon), or perhaps he should more appropriately be called the minister responsible to the insurance industry, has noted that the stream of cases of Ontarians who are abused by the private insurers, which I receive and bring to the attention of this House, has not slowed since the election. This in spite of the minister's assurances and those of the superintendent of insurance that the deathbed conversion of the insurance industry is complete.

Today I relate the case of Patrick Bensen of Fenelon Falls. Last June, Mr. Bensen renewed his automobile insurance for one year and paid a premium of \$831. In September, he received a notice for an additional premium of \$525 because, during a check, the insurer had found that Mr. Bensen had lost three demerit points on his driver's licence in late 1986. He has no other points against him.

Of course, even the western plans penalize people who lose demerit points, but not for the first loss of points and not at \$525. He would pay no surcharge in Manitoba for those three points. If he lost another three, he would pay a surcharge on his driver's licence of perhaps \$100.

Mr. Bensen's insurance company is called Economical Mutual Insurance Co. Economical Mutual, however, might consider changing its name—

Mr. Speaker: The member's time has now expired.

Mr. Swart: —although I am sure the company finds the insurance business economical and also—

Mr. Speaker: Order.

STATEMENTS BY THE MINISTRY

OCCUPATIONAL HEALTH AND SAFETY

Hon. Mr. Sorbara: Last night, senior ministry officials, representatives of McDonnell Douglas of Canada Ltd. and representatives of the Canadian Auto Workers union, along with myself, met from 11:45 p.m. until 3 o'clock in the morning in an effort to resolve the dispute over payment of wages to workers involved in work refusals.

That dispute has now been resolved.

An understanding was reached by the parties, providing that all workers who refused to work for health and safety reasons will be paid full wages effective from Wednesday, November 18, when the first refusals occurred.

The meeting also produced an understanding between the company and the union on two major issues of concern to the workers: health and safety training and the right to consult a physician of their own choice.

The understanding provides that every worker who requires additional training in health and safety matters will be assured of that training as a result of a comprehensive union-company initiative. In addition, all workers involved in ongoing medical surveillance programs will receive up to two hours' pay per visit to a physician of his or her choice.

As a result of this new understanding, the number of teams investigating work refusals has been increased to 10 from three, a step that should speed up the investigation process and help to address the concerns of the workers about their health and safety.

The understanding also goes a long way towards resolving the very serious concern of workers about the health and safety conditions of

the plant. It is my expectation that once the investigations are completed and the conditions of the understanding are met, the workers will be able to resume working with the knowledge that their work environment meets the standards required by law.

I want to take this opportunity as well to inform the House that the Ministry of Labour officials, in conjunction with solicitors from the Ministry of the Attorney General, are continuing to review evidence regarding the initiation of prosecutions, should they prove warranted.

The primary objective of the Ministry of Labour and of myself as the Minister of Labour is to ensure that all workers in Ontario are free to exercise their right to work in a safe environment.

TRANSFER PAYMENTS

Hon. Mr. Ward: It is my pleasure to make available to honourable members today additional information on the 1988 grants for elementary and secondary education.

As my colleague the Treasurer (Mr. R. F. Nixon) has announced, the Ontario government will increase operating grants to school boards by 6.8 per cent in 1988. This increase will build the government's total contribution to the operation of Ontario's elementary and secondary schools to \$3,841,400,000.

During the recent summer election campaign, we pledged to dedicate new funds to important new initiatives in education. That commitment formed an integral part of our throne speech three weeks ago.

Today I am proud to announce that the government's total contribution includes an enrichment of \$61.8 million in 1988 as the first instalment of a three-year phase-in of the funding commitments for education established in the throne speech.

For the four-month period running from September to December 1988, we will provide \$22.6 million as the first instalment of a three-year program that will reduce class sizes in grades 1 and 2. The proportionate amount for the remainder of the 1988-1989 school year will be reflected in the 1989 general legislative grants. This allocation is the first step in our program to reduce class sizes to an average of 20 students per teacher in those two primary grades.

To embark on further commitments for education established in the throne speech, I am today dedicating \$10.4 million to the purchase of computer hardware for our children and \$3 million for computer software. These funds will

be available to school boards in the one-year period beginning January 1, 1988.

For the year beginning January 1, 1988, my ministry will make available \$16.8 million for the purchase of new textbooks. At the same time, we will also make available \$6 million for other learning materials.

To further realize our throne speech commitments, I am pleased to add that my ministry will make available \$3 million to introduce new science programs for the intermediate division.

These grants for computer technology, textbooks and learning materials and intermediate science are also only the first portion of a three-year phase-in program.

These new commitments are in addition to an increase in the base operating grants to school boards of 4.5 per cent. That increase brings the base operating grant allocation to \$3,586,000,000 next year.

This government has established a commitment to complete the extension of the separate school system in 1988. To fulfil that commitment, we are providing an additional \$21.8 million in operating grants. When added to the 1987 allocation of \$163.5 million and increased by 4.5 per cent, these grants bring the total allocation for separate school extension to \$193.6 million.

These combined increases demonstrate this government's intention to make the education of our children a priority. I am especially pleased that we are allocating funds that will allow us to place renewed emphasis on the early years of our children's education, years that are critical to the development of our children.

The government of Ontario is confident that the total 1988 allocation for elementary and secondary education will provide school boards with the provincial resources to help maintain and improve the high-quality education that the people of this province expect and that our children deserve.

1350

RESEARCH AND DEVELOPMENT

Hon. Mr. Kwinter: I am pleased to make available to the Legislature a report that is also being released at the first ministers' conference in Toronto today. The report, entitled *A Commitment to Research and Development: An Action Plan*, proposes a framework to increase Canada's research and development spending to 2.5 per cent of gross domestic product within 10 years.

Our proposal for a national research and development plan is one option for consider-

ation. However, we feel that a national target should be adopted and a five-year interim target should be established. If the interim target was set at 1.8 per cent of gross domestic product by 1992, it would fall on the growth path of a 10-year target of 2.5 per cent.

The report recommends that both the private and public sectors cover the costs of a five-year incremental research and development plan and that the private sector contribution would be approximately \$4.9 billion. Government funding, predominantly federal moneys, would total about \$2.8 billion.

Governments in Canada should be increasingly concerned with the level of national investment in research and development. Improving productivity and increasing competitiveness are two reasons why research and development is of paramount importance to the modern economy.

RESPONSES

OCCUPATIONAL HEALTH AND SAFETY

Mr. Mackenzie: I am responding to the statement by the Minister of Labour (Mr. Sorbara). We are always pleased to see a settlement of the pay issue in a dispute, particularly when it took a week-long walkout to resolve the particular problem and to achieve the rights the workers thought they already had which forced them out on to the street.

It does not assure prosecution. I notice the minister keeps saying, "Prosecute, if warranted." A reading of the orders that have been issued clearly indicated that there were reasons and grounds for prosecution long before this in this particular case, and I think we need some exemplary and punitive damages in situations like this.

I also hope that the minister, having sat in with his officials at the sessions that were held, will now agree that this kind of right to a doctor of your own choice, training and pay for time off for medical checkups will be the right of all workers in similar hazardous workplace situations.

TRANSFER PAYMENTS

Mr. R. F. Johnston: How quickly they change. Let us compare what is being put forward today in the legislative grants for education with the wonderful education promises of the Liberal Party during the last election.

It promised \$170 million per year to reduce class sizes in grades 1 and 2. It is putting in \$22.6 million. It promised it would give \$31.5 million to buy new hardware for our computers. It has, instead, put in \$10.4 million, a third of the

amount. It is putting in \$3 million for computer software compared with \$23.9 million per year it promised during the election. It promised \$38 million for new learning materials and textbooks. It put in a total of \$22 million. Not only that, it has now reduced the new science programs in the intermediate division from the \$13 million it promised during the election to only \$3 million now.

All of this is allowing the base grants to rise by perhaps 4.5 per cent or approximately the cost of inflation, unless you reduce the costs from that of the extension to Catholic school funding and ask questions like what happened to the affirmative action programs last year? Are they not being continued? What about the junior science curriculum; not being continued? What about the technology programs? Are they not being continued? They took 0.5 per cent of the basic budget last year. Are they now being presumed to be part of that 4.5 per cent or are they also just being abandoned by this government like so many of its promises? This is the most disappointing announcement by a new minister that I could ever have expected.

RESEARCH AND DEVELOPMENT

Mr. Morin-Strom: I am pleased to respond to the announcement made by the Minister of Industry, Trade and Technology (Mr. Kwinter) and I would like to heartily endorse the proposal the minister has made. I believe research and development is absolutely critical to the long-term future of our country. If we are ever going to develop a full employment economy, a more balanced economy, a diversified economy that puts more value added into our resources and improves our competitive position on the world scene, we have to increase the research and development spending in this country by a considerable amount and the 2.5 per cent target is a reasonable one when one looks at successful highly industrialized countries elsewhere in the world.

However, we need not just talk about setting a target, we need action from a government that is committed to doing something about it. Research and development funding comes largely as a result of government initiative. Government programs have to be in place. Placing all the responsibility in the lap of the federal government is not the only solution. We have to have a commitment from this province to ensure that research and development that is relevant to this province takes place in this province. We want to

see a government that will in fact put the money where its words are.

Mr. Sterling: I would like to say a few words with regard to the paper of the Minister of Industry, Trade and Technology about research and development. I do not think anybody is against research and development and I welcome that there is some focus on this particular document.

I agree with my colleague from the New Democratic Party who said to let them put their money where their mouth is. It seems this government has a tendency to try to shift every issue to the federal sphere and not to take them within its own ambit. I ask only whether, in presenting this document, the government of Ontario has the credibility to put forward a program on research and development when it was the creator of a billion-dollar, high-tech fund on which it only spent \$100,000 on administration in the first year.

TRANSFER PAYMENTS

Mr. Jackson: It is a sad day for this Legislature when we have to acknowledge the fact that the broken promise of the Liberal government with respect to provincial funding has reached an all-time low.

I ask the members of this House to go back to a bold statement by the then Leader of the Opposition, the member for London Centre (Mr. Peterson), where he stated on June 19, 1984, "The intention of the Liberal Party of Ontario is to restore this level to a maximum of 60 per cent on the average across the province during our first term of office."

We know that in June 1985, with the accord statement, again this government failed to make its commitment to the children and the school system of this province. The pattern has declined consistently since the Liberals have taken office. The 47.8 per cent funding levels have now dropped to 42.7 per cent. These figures have been provided both by the Ministry of Treasury and Economics and by the Ministry of Education. It is an absolute sham to suggest that this government is honouring in any way its commitment to the general operating costs that school boards are facing.

With respect to the so-called commitment to reducing the pupil-teacher ratio in our elementary schools, it should be noted that there are insufficient dollars in this program to pay for the school board costs to provide those staffs. That means all the teachers who are required in the city of Toronto are going to be paid for entirely—100

per cent of those costs are going to be picked up—by the local taxpayer.

No commitment from this government; yet it boldly promised during the election that it would be providing these support staffs to reduce that. The public will have figured out by Christmas, when school boards are sitting down to structure their budgets, how much of a tax burden has been loaded on to them as municipal taxpayers.

All the special grants the government has indicated are reductions of total commitments this year. The class size reduction is not adequate to meet what the commitment was in the previous year. The computer hardware, the computer software are less than what they are currently spending. They promised \$30 million and they are giving only \$13 million. Funding for textbooks and learning materials was promised at \$49 per student. This is considerably below the requirements and needs and the stated promises, to put it in perspective.

It will mean a horrendous increase in taxes at the local level. It is a clear and significant breach of the promise. It is worthy of note that every single Liberal member who ran in the last election signed a statement that said, "The Liberal government remains committed to paying 60 per cent of approved school board costs." Every single Liberal candidate in the last election signed the very exact same statement that was crafted for them by the then Minister of Education, the member for Renfrew North (Mr. Conway).

It is a shame that the general legislative grants, the base level of transfer payments, has gone from 5.5 per cent last year to 4.5 this year. It is inexcusable for this government to stand here and make this statement and suggest it is honouring in any way its commitment to the 1.7 million children in this province.

The government promised this. It stated that it was its stated commitment. How can it honour its commitment with these funding levels?

They must increase the funding. It is a sham the way they have done it. That is why I have stated clearly, outside of this House, that this government has misled Ontario and the children of this province with respect to the true funding on this issue.

1400

ORAL QUESTIONS

WORKERS' COMPENSATION

Mr. B. Rae: I have a question for the Minister of Labour. The minister will no doubt be aware that this month the Workers' Compensation

Board has finally developed, after a long, long period of time and many years of delay, the criteria by which workers who have worked underground in gold mines and who have died of lung cancer will be compensated by the WCB. The minister will be aware of how long a struggle this has been for the families of these victims of industrial disease and he will realize the deep sense of injustice that exists among those families, in particular the widows of those miners.

Does the minister feel it is fair and right, as a matter of public policy in Ontario, that miners have to have worked in a "dusty mine" before 1945 in order to receive compensation under this plan?

Hon. Mr. Sorbara: I obviously am aware that the board has recently come to, not the end of its work, really its first decision. Of course, I certainly have not been as intimately involved in the history of that ongoing process as the member for York South. I recall during the last parliament he was asking questions of my colleague, now the Minister of Consumer and Commercial Relations (Mr. Wrye), then the Minister of Labour, on the very same issue.

I understand the board, after receipt of reports from the Industrial Disease Standards Panel and other bodies, has made a decision about a certain number of the claimants but is going to continue to work to determine the validity of additional claims, which I think number several hundred, if I recall correctly.

Mr. B. Rae: There are, as the minister says, several hundred families and miners who are effectively disenfranchised by this decision of the board. The decision states very clearly that in order to receive compensation a miner or his family or survivors have to have had "some dusty gold mining experience in Ontario prior to 1945 and a chest X-ray rating of four or more as rated by the Ontario WCB chest X-ray classification system, plus the 60 units which are factored in from all the time that one has worked in a mine," which means basically you have to have been starting work back in the 1930s in order for your family to qualify.

Is the minister saying on record today in the House that workers who started work after 1945 were not working in dusty mining conditions? If he is, it certainly will come as news to those miners—and to their families—who were working in dusty conditions then, and in some cases are working there now.

Hon. Mr. Sorbara: No, I am not saying that at all. What I am saying is, the board has gone

through a process that my friend from York South is probably more familiar with than anyone else in this House. I know he has followed it along very carefully. But in fairness, I think I perhaps should point out to this House that the decision is one that the board has taken, and it is one step in a series of decisions the board will be taking on the matter.

It results not only from a very complex and lengthy study by the Industrial Disease Standards Panel. The board's decision, as I understand it, was not only based on that information but also a number of reports and submissions that were made to the board from various parties and various groups and various organizations, and I assume from the New Democratic Party, on what decision the board should make. I do not make those decisions; the board makes those decisions. I understand the first decision has been made and the process is continuing.

Mr. B. Rae: The process is clearly not working on behalf of workers' families and on behalf of people who have worked underground and on behalf of families who have watched their loved ones die and who now find that, after a battle of 10, 15 or 25 years against the Workers' Compensation Board, they are now being told the criteria are such that they will not qualify and they cannot qualify.

Does the minister think it is fair and does he think it right that the law with respect to gold miners should be such that instead of saying, which the act says with respect to many other compensable conditions, the onus of proof is on the company to prove that the conditions of work were not the cause of accident, what is now the case is that the onus and burden of proof are put on the worker and the worker's family, that the board is not giving the benefit of the doubt to the worker and his family, which is the requirement of the law, that in these cases the board is setting criteria which can lead in one way and one way only, and that is to disenfranchise working people who ought to be compensated?

Hon. Mr. Sorbara: On the contrary, my understanding is that the board is applying the very same test, the burden of proof, as it applies in every other case. But this is not a simple matter of an injury or industrial diseases where there is a much clearer link between the condition and a particular industry, factory or environment. It is a very complex issue dealing with the environment in gold mines, which changed dramatically over a period of years.

It has been the subject of investigations and reports too numerous to list here during question

period, and all I can say to my friend the member for York South is that my understanding is that the board applied the very onus that my friend is asking to be applied. All of us agree there are tragedies there that have remained the subject of dispute far too long. I cannot give him a resolution today.

VISITOR

Mr. Speaker: I would just like to draw the members' attention to a visitor in the members' gallery, Eddie Sargent. Please welcome him.

Mr. R. F. Johnston: Eddie, you would never have let this sort of stuff happen, would you? No; exactly.

TRANSFER PAYMENTS

Mr. R. F. Johnston: My question is for the Minister of Education. I can understand now why the Treasurer (Mr. R. F. Nixon) did not want to give any details last week about what the pass-through of funds really was to the education system. It is clear that what we have here is a government that specializes in perpetrating hoaxes. It fooled the province into thinking it was against free trade, until we saw what happened again this morning. Now it is has said it is in favour of major reform of our education system, and it has been proven today that is not so.

Would the minister please explain why it is that instead of giving \$170 million this year, as was promised during the election, to reduce class sizes in the elementary panel in grades 1 and 2, the government has decided to give only 13 per cent of that amount? Why is it that instead of giving the amounts of money it promised it would for computers, it is giving only about 12 per cent of that amount of money? What happened to the promises of the election?

Hon. Mr. Ward: In response to my friend, the commitment for the reduction in classroom sizes in grades 1 and 2 to the 20-to-1 level is estimated to cost \$170 million annually when fully implemented. Today we are announcing additional transfer payments for the amount of money needed to fund the four-month period of September to December 1988, the first instalment of a three-year phase-in of the 20-to-1 classroom size.

1410

Mr. R. F. Johnston: Can the minister tell the House then, if it would cost \$170 million to reduce the ratio from 30 to 20, what will \$22 million buy?

Hon. Mr. Ward: The \$22 million should buy an additional 1,000-plus teachers in our elemen-

tary schools next September to begin the process of reducing the ratio.

Mr. R. F. Johnston: I think the minister well knows that the cost, if there is going to be any reduction at all in the ratio, will be falling now on the boards of education and not on the provincial government.

What happened to the Liberals' commitment as a government to increase the provincial government's share of the operating grants to 60 per cent, a long-standing policy, when in fact this year they are increasing the operating grants by less than they did last year?

Hon. Mr. Ward: I would point out to the honourable member that this year's transfer payments reflect an increase in excess of an additional \$250 million for school boards across this province. I want to reiterate that the government is committed to flowing the necessary funds to school boards throughout this province to reduce classroom sizes in grades 1 and 2. The intention is indeed to bear the cost of providing those additional teachers in a timely and orderly fashion, and we have obviously proceeded to fulfil that commitment.

Mr. Jackson: My question is to the Minister of Education, following up basically on the point he has just made about this so-called additional dollar commitment.

The minister is painfully aware that there are considerable expenditures required as a result of Bill 30. I would like to quote what the government stated in this House on July 4, 1985, via the Minister of Mines, the member for Renfrew North (Mr. Conway) regarding Bill 30. He was then Minister of Education. He said: "There are six principles that provide the basis for the proposals embodied in this bill. The first principle is the need to protect the viability of the public secondary school system."

My question to the Minister of Education: Based on his announcement today, can the minister confirm to this House that he has increased his share of public money to the public school boards in this province? Is the figure in decline, or has he enriched payments to the public secondary school systems in this province?

Hon. Mr. Ward: I would answer to my honourable friend that indeed we have enhanced the amount of funds available to the public school system in this province. Putting aside the amount that will be included in this year's general legislative grants for the extension of separate school funding, the total increase in allocation

for school boards throughout Ontario is somewhere in the neighbourhood of 6.3 per cent.

Mr. Jackson: The minister persists in quoting all manner of additional items such as the commitment to his ministry's overhead and commitments to the superannuated teachers' fund when playing with those kinds of figures. In fact, the minister's commitment to public education at the secondary level has declined as a percentage of his contribution to those boards. That is a matter that will be further explored as he is forthcoming with the statistics.

Mr. Speaker: Question?

Mr. Jackson: My first supplementary has to do with a report published by the standing committee on financial and economic affairs dated April 24, 1987. Recommendation 5 was unanimously supported, which included four Liberal members who have returned to this Legislature. Quoting the report briefly, "The government should increase, in a phased program, its share of funding to elementary and secondary education to 60 per cent of total expenditures and property tax should be proportionately decreased through an appropriate tax mechanism."

Mr. Speaker: Question?

Mr. Jackson: My question to the minister is this: Will he in any way, shape or form honour the commitment as set out by at least four members of his governing party as stated in the standing committee report? Will he honour that promise he has made and—

Mr. Speaker: Order.

Hon. Mr. Ward: I am happy to indicate to the honourable member that indeed the government is committed to reducing the burden on property taxpayers throughout this province for the costs of education and we will continue to provide additional funds to reduce that burden.

Mr. Jackson: The Metro Toronto property owners who are paying 100 per cent of their education costs are going to be thrilled to hear that statement.

My final supplementary has to do with the suppression of information that seems to continue from the Ministry of Education. I have consistently asked for the provincial summaries of the board financial statistics that are normally reported at the time of tabling it for the 1985, 1986 and 1987 statistics. The minister is severely hampering the efforts of the public boards and of this House in determining the exact reduction in his funding levels to education in this province. For example, the secondary levels, as reported

last year by his own statements, had it reduced from 1984 at 40.39 per cent to 1986 at 34.53 per cent.

Mr. Speaker: Question, please.

Mr. Jackson: When will the minister stop suppressing the information and make it public so that we can confirm the very sad facts, which he knows are true, that he has reduced his percentage contribution to the school boards in this province?

Mr. Speaker: I am sure there must be a question there somewhere.

Hon. Mr. Ward: As the member knows, there has been absolutely no suppression of information. The figures he seeks are available through Education Statistics Ontario on an annual basis and there has been no suppression of that information.

RETAIL STORE HOURS

Mr. Cureatz: I have a question of the Solicitor General. We would like to point out to her that outside the House on Monday she said the loophole would be closed that would allow major stores to open the day after Christmas. The Premier (Mr. Peterson) had said back in May, before the election, that his government should move quickly to change the Retail Business Holidays Act before the Christmas shopping rush.

As a result of these mixed messages coming from the government, large retail developers have decided for themselves to open their shopping malls for Boxing Day sales on Sunday, December 27.

Will the minister tell us today if stores under 5,000 square feet and with no more than seven employees will be fined for opening on Sunday, December 27?

Hon. Mrs. Smith: I wish to point out that, as I have already reported to the House, my statement to the media was that the loophole could be closed, that the loophole did in fact exist in the act. It was a part of the act that has been there from the beginning but it has never been interpreted. It was interpreted with great care by Cadillac Fairview lawyers who did in fact point out that the act as it now stands would allow these stores, as the member has specified, 5,000 square feet and less with seven or less employees, to open on the Sunday of this particular year because in fact they have to be closed on Saturday for Boxing Day. This is the loophole that has been there all along. Nobody has picked

it up before. Unless the act was changed, it is the view of our legal staff that in fact they can do so.

Mr. Cureatz: I know the minister and all the Liberal back-benchers will really appreciate this so that they can explain the confusion to their constituents when they get back home to their ridings after this session ends. The Ontario Progressive Conservative Task Force on Extended Shopping Hours recommended that shopping be allowed on the three Sundays before Christmas and on Boxing Day; again we ask the minister, will she implement these changes before Christmas?

Hon. Mrs. Smith: The government is presently examining the recommendations of the select committee. It is not examining the recommendations of the Conservative task force that went around the province.

1420

Mr. Cureatz: We are disappointed and I can say to the Treasurer (Mr. R. F. Nixon) that these kinds of answers remind me of the days of Jimmy Auld about nailing jelly to the wall. We would like to get some specifics from the front bench.

On December 29, 1985, the Attorney General (Mr. Scott) said he was looking into the issue thoroughly in regard to shopping in the holiday season. A year later, in 1986, the Attorney General was asked for legislation to protect the employees from being fined or fired. What protection will the government offer to persons being forced to work on Sunday, December 27?

Hon. Mrs. Smith: The whole problem of the labour bills and the problem of the retail shopping days are being examined together and we will bring the member an answer very shortly.

FACILITY FOR YOUNG OFFENDERS

Mr. Swart: I have a question for the Minister of Correctional Services. It concerns a scandal surrounding the privately operated Whitestone Place and St. David's home for young offenders in the Niagara Peninsula. His ministry just released a summary report which I say to him has the substance of carnival candy floss. That report was on the alleged shortage of food and heat, on physical abuse and on clothing paid for and not supplied etc. in those homes. His summary totally whitewashes his ministry in spite of all kinds of evidence of negligence, avoidance or coverup by his officials.

Let me simply ask the minister, when he has auditors, probation officers and other ministry people in those homes on at least a weekly basis, how does he explain how there are these horrible

happenings over a period of many months without his officials taking any action?

Hon. Mr. Ramsay: I would like to tell the member that, as he well knows after having a meeting with my deputy minister, these allegations were brought to the attention of the police and charges have been laid in this case. This matter is before the court.

Mr. Swart: This has nothing to do with this matter being before the court. It has everything to do with the conduct of his officials in not finding out these things earlier. Although the minister says they knew nothing about it, I want to tell him that is totally false according to reputable staff. I am sending him three signed statements of people who told his officials about the problems well in advance of that investigation.

Apart from that significant falsehood, does he not think there is something inappropriate about the private operators of the home, who now have been criminally charged, occasionally hiring the wife of his area manager to perform duties in the home? Will he therefore, first, release the full report of the investigation, and second, refer the matter to the Legislature's standing committee on administration of justice to investigate the role of his ministry in this whole sordid affair?

Hon. Mr. Ramsay: I would like to address a couple of the issues the member brought up. First, he mentions these private operators. Of the 300 contracts we have with about 60 different agencies across the province, there are no more than about a dozen that are private, for-profit operators. The thrust for this ministry is to use nonprofit agencies and advocacy groups to deliver services.

I would also like to say to the honourable member that if he will remember, last week I made an announcement in this House of new training initiatives for our youth worker staff in order to improve the situation with how our young offenders are dealt with. We have very good staff in the ministry and my focus is to make sure we improve that training so we serve those young offenders better.

RENT REGULATION

Mr. Cousens: I have a question for the Minister of Housing. It has to do with a young couple who rented a home on Howard Park Avenue in Toronto just over a year ago. When they rented the apartment for \$900 a month, in talking with the previous tenants they found that the previous tenants had paid \$360 a month, so it was a 150 per cent increase over what had been paid previously.

With a lawyer's help they launched their appeal to the Rent Review Hearings Board and the commissioner handed down his decision on November 16, 1987. He dismissed the case solely on the ground that because only the husband signed the application, it was deemed to be deficient and was dismissed.

I ask the minister, is this ruling compatible with section 49 of the residential rent legislation which states, "Every decision of the board shall be upon the real merits and justice of the case"?

Hon. Ms. Hošek: I am not aware of the details of the particular case the honourable member mentions—

Mr. B. Rae: Look into it.

Hon. Ms. Hošek: —however, I will obviously look into it, as the member opposite mentions.

Mr. Breaugh: We are a big TelePrompTer here.

Hon. Ms. Hošek: Thanks very much for the help, fellows.

The concern of the rent review legislation is that it protect tenants against the kind of abuse that the honourable member has described. Let me take a look at the case that he brings forward, and I will respond to him on the merits of that particular case with the help of the people who make these decisions.

Mr. Cousens: I thank the minister, and I will send the file over to her. They have waited a year already and it looks as if they will not have to wait a year for the appeal, which can be good. What about the hundreds and thousands of other people who have similar types of problems? What will the minister do for them as well?

Hon. Ms. Hošek: The processing of the various cases is proceeding apace, and we are committed to making sure that decisions are made as quickly as possible. As I have already said to the member, I will be looking into the decision that was made in this particular case. I thank him very much for asking the question.

CANCER TREATMENT

Mr. Speaker: The Minister of Health has a response to a question previously asked by a member, but I am not sure which member.

Hon. Mrs. Caplan: Mr. Speaker, it was with reference to a question asked on November 24 by the member for Sudbury East (Miss Martel) and the member for Nickel Belt (Mr. Laughren). I am pleased to inform the House that construction will begin immediately on phase 1 of the Northeastern Ontario Cancer Treatment Centre.

I would like to thank my colleague the member for Sudbury (Mr. Campbell), who has been working with the hospital over the past several weeks to develop a plan consistent with the ministry's originally announced allocation. I will note for the members who asked the question that there has been no reduction from that original allocation. The ministry has committed a total of \$14.8 million for construction of the centre. Phase 1 includes rock blasting, excavation and concrete pouring.

As I stated on Tuesday, this facility will respond to the needs for a first-class quality cancer care facility in Sudbury and northern Ontario.

Mr. Laughren: I wonder if the minister could assure us that, despite some of the warnings from experts in the field, the amount of money that has been put into that particular cancer treatment centre will be sufficient to warrant referrals from all across northeastern Ontario and that it will be a first-class facility.

Hon. Mrs. Caplan: I am pleased to respond. I met with officials from the Ontario Cancer Treatment and Research Foundation—the OCTRF—and they have assured me that it will be in fact an excellent facility. They are supportive of the approach the ministry has taken. I want to assure all the members from northern Ontario that this will meet the needs for a first-class cancer care facility.

SOCIAL ASSISTANCE

Mr. Allen: I have a question for the Minister of Community and Social Services. In spite of the incredible evidence around about us of a booming economy and indeed remarkable affluence—even in some cases rather obscene affluence, I think, that is growing in some of our major industrial centres in this city—we have clear evidence from 11 of our largest cities across the province that there are now more than 22,000 additional employable men and women on the welfare case loads than there were six years ago and that indeed even over the last two years of recovery those case loads of employable men and women have continued to grow in at least six of those communities.

Let me give examples for 1981-87 of increases of 6.1 per cent in Windsor, 321 per cent in Thunder Bay, 103 per cent in London, 195 per cent in Ottawa, 57 per cent in Peterborough and 203 per cent in Metro Toronto.

All the evidence we have that is tangible tells us that those people want to be off welfare and into a sustainable and adequate income situation.

What is the minister doing to get those people off the employable case load and into real and adequate work?

1430

Hon. Mr. Sweeney: I would certainly agree with my colleague that the goal is to get people off welfare and into employment whereby they can earn sufficient income to support their families. We have a number of programs in place at the present time: our employment opportunity program is designed specifically for this; our municipal job developer program is designed specifically for this purpose; a federal-provincial employability agreement that was signed several months ago is designed specifically for this purpose; and my colleague the Minister of Skills Development (Mr. Curling) is enacting a number of programs within his ministry to assist people in getting the upgrading and skills they need to find employment.

The member will obviously be aware of the fact that the difficulty, particularly for older workers, is that they have had the same kind of job for a long period of time and the skills they have had before simply are not transferable. We are assisting those people to acquire new skills they can transfer to the new jobs.

Mr. Allen: A number of the programs the minister referred to are, of course, outside his own ministry. One does not get a sense from his reply that there really is a very strong initiative either in his ministry or in the ones he referred to, to move people from this situation where they are not only staying on welfare longer as employables, but in circumstances where quite clearly they are staying there because, we would suspect, as he himself has pointed out, the gap between going on to a minimum wage job and staying on welfare obviously makes it preferable to stay on welfare for a number of reasons, not least of all the simple fact of physical sustenance of their families.

Can the minister not amplify for us in more precise terms what he is doing for the working poor in Ontario, to deal with the problem of minimum wage jobs on the one hand, which is not his responsibility, but he has referred to other programs that support this kind of program, and on the other hand in his own ministry in order to actively move those people off the employable welfare rolls and into good paying jobs in the community?

Hon. Mr. Sweeney: Let me point out to the member that all of the initiatives I just described to him are in fact being carried out by my ministry. In addition to that, I mention the fact

that my colleague the Minister of Skills Development has a responsibility to provide training to all of the citizens of Ontario, including the clients of my ministry. The federal-provincial employability agreement that I mentioned having been signed in the last few months will channel \$50 million of provincial money from my ministry and \$50 million of federal money that normally would go into making welfare payments and channel it instead into training and upgrading programs. I think that is a very viable one.

We have an initiative specifically for single parents which provides them with a year's opportunity to work in the general social service field, not only so that they are actively employed and earning money, but also so they can acquire skills in that general field, because we both know and understand there are a number of openings in the general social service field.

The municipal job developer program I defined for the member is funded by my ministry and it provides additional dollars to local municipalities to hire staff to work directly with unemployed workers, to work directly with the employers in the community and attempt to make a match-up. If in doing that match-up—

Interjections.

Mr. Speaker: Order. New question.

GASOLINE PRICES

Mr. McLean: In view of the absence of about a dozen ministers, I guess I will have to direct my question to the Treasurer.

He is no doubt aware that gasoline prices in Ontario rise faster than yo-yos, but is the minister aware that a gasoline retailer in Toronto is selling a litre of regular unleaded gasoline to motorists at the staggering price of 62.9 cents a litre? Is he aware of that? If he is, what is he going to do about it? If he is not aware of it, what is he going to do about it?

Hon. R. F. Nixon: There were a few interjections during the first part of the question and I am not sure what the member was talking about. I think it was that gas prices are too high in Toronto, and that may very well be the case; but if he wants to drive 100 kilometres west to Earl's Shell Service, the price is still a reasonable 52.6 for unleaded, and I know that he would be glad to pump the member full.

Mr. McLean: I knew he would tell me what it is at Earl's Shell.

Mr. Speaker: I am sure the honourable member has a supplementary.

Mr. McLean: Now that we have determined what it is at Earl's Shell, I would like the minister to know that in the area where I live, gasoline prices fluctuate 10 cents a litre, approximately, every week. They are up and down. It can be 38 cents, it can be 48 cents. What is the government going to do to stabilize this for the people of Ontario?

Hon. R. F. Nixon: So far, we have done what predecessor governments have done, and that is allow the laws of supply and demand to take effect. In the only areas where people have followed the socialist tradition and tried to control those rates, they turn out to be the highest gasoline prices in Canada.

LOT LEVIES

Mr. Mahoney: My question is not nearly as much fun as the last one, but it is directed to the Minister of Municipal Affairs. For a number of years negotiations have been ongoing among the Association of Municipalities of Ontario, the Urban Development Institute and the ministry on the inseparable issues of front-end financing and lot levies. UDI, of course, feels that lot levies are unfair, probably illegal and too high; and AMO feels that they are needed.

My question to the minister is, will he assure this House that any proposed lot levy legislation brought forward will be, first of all, permissive in nature so as to allow each area or municipality to negotiate its own deal under certain new rules and guidelines while at the same time allowing municipalities to offer incentives discounting those lot levies?

Hon. Mr. Eakins: Over the past several months a draft discussion paper on lot levies and front-end financing has been prepared, based on discussions with a working group made up of the development industry, the Association of Municipalities of Ontario and representatives of ministry staff. That paper is in the process of being finalized, and when it is and I have had an opportunity to assure myself that it addresses all sides of the issue, I will then be discussing its contents with my colleagues in cabinet who have an interest in this particular subject. Until this consultation process takes place, I feel it would be premature to comment on any legislation, let alone the contents of that report.

Mr. Mahoney: The lot levy issue is very critical, but without front-end financing it would create lots of difficulties for municipalities attempting to avoid huge costs to advance their particular development. Will the minister assure this House that front-end financing and a

mechanism for that policy will be part of any overall legislation on lot levies?

Hon. Mr. Eakins: As I have said, before making any definite commitment, I think it is important to have consultation. I have already met with the Association of Municipalities of Ontario. I met with the Urban Development Institute at noon hour, and I want to have full input. At that point, along with my colleagues, I will be making some announcement.

1440

VOCATIONAL REHABILITATION

Mr. Laughren: I have a question for the Minister of Labour. The minister will recall, I think, that in June 1987 an agreement was reached among his ministry, the Workers' Compensation Board, the Regional Municipality of Sudbury and Laurentian Hospital in Sudbury to establish an injured workers' rehabilitation program at Laurentian Hospital. Since that time the WCB has reneged on that agreement.

Can the minister tell us why he allowed the WCB to do that and whether he thinks he is just another Minister of Labour in a long list of Ministers of Labour who have been jerked around by the WCB?

Hon. Mr. Sorbara: I think I am just another Minister of Labour who has just been jerked around by the member for Nickel Belt (Mr. Laughren). Last week I was jerked around by the member for Hamilton East (Mr. Mackenzie) and this week it is the member for Nickel Belt.

Mr. Breaugh: That is because you are easily jerked.

Hon. Mr. Sorbara: That is another matter. No, I will not say it. I did not say another jerk from Oshawa.

We had a meeting, actually, in my office relatively recently with the current member for Sudbury East (Miss Martel) and the former member for Sudbury East, her father, who is as much of a tiger when he gets into ministry offices as he was when he was asking questions of previous Ministers of Labour during the last parliament. But my friend the member for Nickel Belt did not come. If I recall correctly, he was not there to argue the case.

My simple answer is that the project is being worked on by the board and by the community in Sudbury. I cannot tell the member where they are going to get to in that work, but I should point out to the member for Nickel Belt that there was no such agreement reached back last June as far as I am aware.

Miss Martel: I do not think that was quite the consensus that was reached at the meeting concerning the June meeting last year.

We know that the Minister of Labour advised the WCB to go back and look at its plans again and to try to provide the funding for the centre. We are all to meet again in January. Will the minister assure this House that if the WCB backs out again, as it has already done once, he will then direct the WCB to provide the funding for that centre so we can get it off the ground as soon as possible?

Hon. Mr. Sorbara: Just on the issue of vocational rehabilitation, things about the proposal that were of great interest to me, in addition to the fact that it argued for early intervention, were that it localized the delivery of the service and that it really concentrated on providing the necessary services to get the worker, first of all, back on his or her feet quickly and in a healthy state and back into the workplace in a manner that did not leave the worker abandoned for far too long. All those things were very attractive, but the fact is—and although the member for Sudbury East is a new member in this House she knows this—there is no section in the act which provides that I can order the board to do A, B or C.

Mr. Laughren: Oh, come on.

Hon. Mr. Sorbara: The member for Nickel Belt says, "Come on." I would like him to quote me the section, if he has the section. My role in that process is to try to bring the parties together so that we can realize the localized delivery of vocational rehabilitation services consistent with the way in which my friend the member for Sudbury East thinks they should be delivered.

NOISE BARRIER

Mrs. Marland: My question is to the Minister of Transportation. Several days ago, I raised in this House the matter of an unkept election promise by the Minister of Transportation concerning the construction of noise barriers along the Queen Elizabeth Way on the south side from Hurontario Street to Erin Mills Parkway. I am wondering if the minister could tell this House just what the status of this project is.

Hon. Mr. Fulton: I can assure my friend the member for Mississauga South (Mrs. Marland), as I can assure all members of this House, that I have kept or am in the process of keeping every promise I have made since I have been a minister.

Mr. Breaugh: What about the GO train?

Hon. Mr. Fulton: The GO train is coming.

The member is aware of the budget and the demands in that particular budget for sound barriers. She is, or should be, aware that the sound barrier in her riding is on our capital budget and will be built, as we said it would be.

Mrs. Marland: I am very encouraged to hear that. However, in the minister's release of August 31, three months ago, he said the money would be earmarked for specific projects which would proceed immediately to the planning and design phase. That is the point on which I challenge the minister's reply today.

In fact, we understand that as of 11 o'clock this morning, none of the ministry staff has received any instruction to initiate the study. They have not even been notified of this announcement, other than that they also saw a copy of the press release. Apparently, it would alter the five-year transportation plan, because at the moment it is not in their request to design or study it.

Mr. Speaker: Do you have a supplementary somewhere there?

Mrs. Marland: Yes, I do.

Mr. Speaker: Let us hear it.

Mrs. Marland: I certainly do. If it is going to proceed, I would ask the minister if he will address this discrepancy and give this House a real commitment that this noise-barrier project will be undertaken immediately, as he said in his statement three months ago.

Hon. Mr. Fulton: I was getting concerned that had the member gone on much longer, we would have run out of time to do any further construction this year. I can assure her that with regard to the undertaking given earlier and again today, the promise made will be kept.

NATURAL GAS PRICING

Mr. Daigeler: My question is addressed to the Minister of Energy. Yesterday's *Globe and Mail* carried the following story in the business section:

"The Alberta government is hitting Ontario taxpayers by forcing hospitals and school boards to pay higher prices for natural gas than factories, a superintendent with the Ottawa Board of Education says. While industries have been able to cut the price they pay for natural gas almost in half by renegotiating contracts after federal and provincial price controls were dropped last year, the Alberta government has refused to allow institutional users to do the same."

It appears the Alberta Tories—and who knows, perhaps the Ontario Tories as well—are all in favour of free trade with the United States but, at

the same time, restricted trade within this country.

In view of this two-faced approach of the Getty government, I would like to ask the Minister of Energy whether he is aware of the situation. If so, in what way is he prepared to help Ontario's institutional users to deal directly with Alberta gas producers?

Hon. Mr. Wong: I would like to thank the member for informing me of his concern in advance. This is a matter that I was very concerned about shortly after I became minister. I have communicated with both the federal minister and the provincial minister with respect to this matter.

The thing this government is most concerned about is that Alberta is using the denial of these approvals of removal permits. This means residential, commercial and industrial customers of natural gas are being denied the benefits of competitively priced natural gas. This is contrary to the spirit and intent of the agreement on natural gas markets and prices. I hope I can work out a constructive solution with my counterparts.

Mr. Daigeler: I welcome the minister's efforts on behalf of the Ontario school boards and their ratepayers. It is indeed incredible that the federal and Alberta governments should encourage natural gas exports to the United States at reduced rates, while blocking direct sales to Ontario users.

Is the minister prepared to report back to this House on the progress of his dealings with the Alberta government? Also, can he put forward any ideas as to how we might reduce further interprovincial trade barriers in this country before we enter a free trade deal with the United States?

Hon. Mr. Wong: I share the concern expressed by the honourable member on behalf of himself personally and also many of his constituents who are natural gas customers. I certainly will bring the latest developments to the attention of the member in the House in due course.

1450

ONTARIO HYDRO

Mr. Charlton: I have a question for the Minister of Energy. The minister has commented several times in the media and then again in the House here on Tuesday afternoon that he is looking at ways of bringing Ontario Hydro to a greater level of public accountability. The throne speech says: "We will review the Power Corporation Act and related acts and introduce amendments to foster greater public accountabil-

ity and responsiveness on the part of Ontario Hydro."

Surely the minister is aware that review has already been done, that this government set up the select committee on energy two and a half years ago; it spent a year and in July 1986 tabled its final report containing 26 recommendations, 17 of which deal with amendments to the Power Corporation Act, the Ontario Energy Board Act and other mechanisms to create accountability. When can we expect the minister to respond to the recommendations that were made one and a half years ago?

Hon. Mr. Wong: I would like to thank the honourable member for the question. It is a very good one. It has certainly been a concern to me as a new minister in recent weeks and months. Because we have taken a fresh, comprehensive look at the whole situation—for example, the relationship of Ontario Hydro to the Ontario Energy Board and the other key players within the energy community in Ontario—I can assure the honourable member that with respect to the Power Corporation Act, for example, we have found numerous amendments and changes that could be made to make Ontario Hydro more responsive to the needs of today's Ontario and more responsive to the government and to the people of this province.

Mr. Charlton: The minister does not seem to have responded to my initial question. The select committee tabled its report in July 1986, after a fresh look at Ontario Hydro, its operations and the other players in the energy sector. It was an all-party committee. The members of the minister's party on that committee endorsed the recommendations in the select committee's report; 17 of those recommendations dealt specifically with amendments to the Power Corporation Act, amendments to the Ontario Energy Board Act and a number of other mechanisms to create greater accountability. When can we expect a response from the minister to the specific recommendations that are in the select committee report?

Hon. Mr. Wong: As the honourable member knows, two of the recommendations have been implemented and decided and concluded. There are new considerations, and it is not my intention to have this review process go on for an indefinite period of time. We will work as expeditiously as possible. I trust that some time early in the new year we can give the honourable member and the House a greater indication on the kind of progress we expect to make with respect to this matter.

CORRECTIONAL INSTITUTIONS

Mr. Sterling: I have a question for the Minister of Correctional Services. At the present time, there are both female and male correctional officers at the Rideau Correctional and Treatment Centre in Burritts Rapids, which is located in my riding. I was at the opening last year of an additional facility which was built in order to take care of inmates who were suffering not only from being inmates of correctional institutes but also from having some mental illness problems. Currently, it is necessary for someone to observe those inmates at various times during the day, including times when they are doing such things as dressing and bathing.

What policies does the minister have in place to ensure that the dignity of these inmates, especially because they are suffering from mental illness, is maintained while they are in his care?

Hon. Mr. Ramsay: I would like to thank the member for the question. This type of occurrence is a complication of the realities of the 1980s when all the ministries of this government are equal opportunity employers. Certain discretion still has to be allowed for because of the different circumstances in various ministries, whether it be in Health or in Correctional Services. We have policies in place that go a long way toward preserving the dignity of the offender population we have in our ministry.

Mr. Sterling: While I was at that opening, I did ask the various people at that institution—an all-male institution, as the minister no doubt knows—whether or not female correctional officers would be in a position to watch inmates who had to expose themselves because they were carrying on their natural day-to-day activities. The answer was, "Yes, they would be in a position." We can picture this particular institution with large windows into confined areas where these inmates are required to be. I asked, "What do you do in order to maintain the dignity of the inmates?" The answer was, "We turn our heads." Does the minister think that is an adequate policy?

Hon. Mr. Ramsay: I would like to say to the member that in order to tackle this problem we have put various barriers in our institutions and we have tried to rotate staff shifts so that for this type of activity going on, at certain times the female staff members are not there.

I would like to say to the member that we believe men and women can work equally in all our institutions, whether they be for male or

female offenders. But I take note of the concerns of the member and will make sure that we have progressive policies in place.

DRINKING AND DRIVING

Mr. Callahan: I have a question for the Minister of Correctional Services. As the minister is aware, despite the efforts that have been taken to reduce impaired driving, the number of incidents where there are second and third offences in impaired driving matters has increased, the net result being the sentences are getting much longer: three months to a year.

I would like to ask the minister, recognizing that according to my colleagues in the profession, and certainly from my experience, the Donwood Institute has a very successful rate of assisting people in this capacity, whether some program is in place or might be put in place or considered to be put in place within a correctional institution to deal with this very necessary problem in order to avoid a revolving-door syndrome where we simply house them and turn them back out on the street with a very serious problem.

Hon. Mr. Ramsay: The member is quite right in referring to a revolving-door syndrome. It is very important for our ministry to make sure that we give adequate treatment to the people in our care. As far as impaired driving is concerned, we are now in the midst of designing a new treatment system for impaired drivers who require that after coming out of the criminal justice system. We will be doing, as part of an initiative in this system, a pilot project, working with the Alcoholism and Drug Addiction Research Foundation.

I will take the member's suggestion to look at other facilities like the Donwood Institute that do have successful programs, to make sure that we design the best possible system for our offender population.

STUDENT HOUSING

Mr. Breagh: I have a question for the Minister of Housing concerning student housing. The minister has been made aware by the Ontario Federation of Students that students and other low-income groups around Ontario are really being prevented access to decent, affordable housing because of exclusionary bylaws passed by various municipalities. Could the minister tell us exactly what steps she is taking as the minister responsible for housing to see that these low-income people, particularly students in university centres, have access to decent housing and that

they are not denied that access because of an exclusionary bylaw put forward by the local municipality?

Hon. Ms. Hošek: The member for Oshawa should know that we are looking at the role of bylaws in all areas, all municipal bylaws and their impact on the provision of housing for all the various populations that need housing help.

The provision of housing directly on campus for students is of course going to be better answered by the Minister of Colleges and Universities (Mrs. McLeod), but we are looking at all municipal bylaws and their impact on the availability of housing for the various populations that need housing.

Mr. Breagh: The minister is also aware that students at Waterloo and Western are now in the process of challenging those exclusionary bylaws. Is it the minister's intention to have ministry staff present in support of the students' right for decent housing or is it her intention to make a policy statement under the Planning Act in support of decent, affordable housing for low-income groups? Precisely what is it that she will do that will allow the implementation of all the buzz words within her ministry to make better use of existing housing stock?

Hon. Ms. Hošek: I can tell the member opposite very clearly that we are committed to making sure that the people in this province have access to housing and have housing that they can afford. We are actively looking at all municipal bylaws and their impact on the populations that need housing. That is also true for the situation of students and the impact of those bylaws on them.

1500

Mr. Jackson: My question is to the Minister of Municipal Affairs. With respect to the student housing problem, we have established that it was an election promise for his government to eliminate exclusionary bylaws that are adversely affecting students in London, Mississauga, Sudbury, Guelph and Waterloo currently. Given that an Ontario Municipal Board hearing is about to start in London, and because this is a zoning bylaw matter—section 63 of the Planning Act will not allow the OMB ruling to be appealed to cabinet—once again we are faced with the prospect of a credibility gap between the government's promise and its leadership in this field.

If the OMB decision goes against the students, will the minister give a commitment to introduce in this House amendments to the Planning Act which will allow him to honour in a real and

substantive way the election commitment to the university students and their housing needs in this province?

Hon. Mr. Eakins: I am not aware of the particular instance to which the honourable member refers, but I can assure him that any commitment this government makes, I am sure this government will keep.

In the meantime, I want to say this. We met with the municipal people at noonhour. I have met with another group, the Urban Development Institute. We have been looking at ways of speeding up the approval process, and I hope that through these meetings we are going to be able to do more to help the housing problems.

INTRODUCTION OF BILL

GOOD SAMARITAN ACT

Mr. Haggerty moved first reading of Bill 49, An Act to relieve Persons from Liability in respect of Voluntary Emergency Medical and First Aid Services.

Motion agreed to.

Mr. Haggerty: The Good Samaritan Act explanatory note is that the purpose of the bill is to relieve persons from liability in respect of voluntary emergency first aid assistance or medical services rendered at or near the scene of the accident or other sudden emergency.

ORDERS OF THE DAY

SELECT COMMITTEE ON CONSTITUTIONAL REFORM

(continued)

Resuming the adjourned debate on the motion for the appointment of a select committee on constitutional reform.

Mr. Speaker: The member for Leeds-Grenville (Mr. Runciman) adjourned the debate. Are there any other members wishing to participate?

Mr. Allen: I had thought that a Liberal speaker might follow in the due order of rotation, but since that appears not to be the case, I am quite happy to take the floor and to offer some remarks from the perspective of our party and from my own position with respect to the Meech Lake accord and this resolution in particular.

I may say at the outset that I certainly stand to support the introduction of this resolution to create a select committee in the Legislature for the review of the so-called Meech Lake accord and the Langevin accord, I guess, which grew out of it. I do so not without some reservations

with respect to the document itself, and certainly not without some reservations with respect to the process that produced it, but there are some things that I want to say in a preliminary fashion.

Second, I want to comment about some perspectives I think that the committee needs to adopt or to hold as it enters into its work. Third, I want to make some remarks with respect to the various sections of the accord document itself and some of the debate that has proceeded around them.

L'accord du lac Meech est un document très significatif et historique pour notre pays. Si c'est un document imparfait, c'est néanmoins un document qui contient un ensemble de propositions à l'égard de notre constitution, dans le but de réintégrer le Québec dans la constitution de notre pays. Donc, pour tous les membres de cette assemblée, et particulièrement pour notre parti, qui a adopté il y a longtemps une position sur l'autodétermination du peuple québécois, c'est une étape que nous appuyons fortement.

Mais il y a des problèmes, des problèmes même primordiaux, à l'égard de la question de l'inclusion de groupes autres que les Québécois dans la constitution, et dans l'accord du lac Meech en particulier.

With respect to the central purpose of this document, which is to reintegrate Quebec fully and completely into the Constitution of Canada, our party considers that is an absolute requirement of this nation. We all know the long history of constitution-making in this country. We know that since 1763 there have been five major occasions on which we have had to restructure and adjust the relationships between French and English in Canada and that this attempt is only the latest of a long series of undertakings.

Lest perhaps we attach too much importance to it, we should realize that long history and we should realize, as a result of that long history, that this will probably not be the last time in the history of our country that we will be addressing this question.

It is quite obvious that, even though it is to a certain degree a retreat of a tactical and strategic kind, Quebec nationalism is not dead and that Quebec indépendantisme is not dead. One only has to look at the events that have transpired since the death of M. Lévesque to realize that remains a significant opinion and position in Quebec.

I remember very well, having taken the trouble to spend the referendum day in Montreal in 1980, in the evening I attended the rally of the Parti québécois forces at the Paul Sauvé arena and observed the banks and ranks of members who

surrounded that great arena. Finally, after much waiting and much high and intense emotion, a small figure you almost could not see—he was not small in any sense of the word but in the context of the overwhelming scale of the arena—M. Lévesque appeared on a totally undecorated platform to announce the results of the referendum. Then, in that completely unmusical voice of his, he initiated the first words of “Gens du pays,” and I listened to the crowds gradually pick up the swelling music and sing that great national song.

One only had to contrast this with the very modest circumstances in which the forces that had won the referendum gathered to realize the remarkable contrast between the emotions involved in the one assembly and in the other. There is there, I suspect, and there always will be an undying sense of a desire to be a nation and to be a separate people. I suspect we have not heard the last of it.

1510

My leader yesterday, in making his comments about what has lain behind the necessity for Meech Lake, namely the tremendous drive towards the creation of the Charter of Rights and Freedoms which Mr. Trudeau initiated and superintended in our nation, referred to him as a bloody-minded man. It took somebody who is a bloody-minded person to cut through everything and to get that task done. I guess one would also have to say that there was another fairly bloody-minded person who also happened to be Québécois, who insisted on another agenda and who drove it equally hard and very nearly succeeded.

I return to my first main point, and that is that lest we invest too much importance in this particular exercise, in this particular step in reintegrating Quebec at this time into the fullness of its constitutional place, we should realize that this is probably not the last time we shall be going through this kind of discussion and exercise.

This is also a historic moment for this Legislature in a very important way in terms of constitution-making because from a constitution-making point of view this is the first time we have legally and properly taken our place as a body of constitutional deliberation. We have always sat in the back rooms and on the sidelines through the long history of constitutional amendment in Canada. For the most part, that had to be done by an imperial amendment which had to go to the House of Commons in London.

Now that the provinces have a role in this amending process, a formal and proper role,

there are those who would seem to treat it as though somehow it were purely and simply the prerogative of the premiers of the provinces. When the Premier (Mr. Peterson) of this province came back after the Meech Lake discussions, full of what they had accomplished in their meetings at Meech Lake, that was certainly the impression he conveyed; that a complete and final thing had been done, that the premiers had done it, that it was being brought back here and that we could look it if we dared expose ourselves to its blazing glory, but having looked, we were to turn the page again quickly and say: “That is great. You have all done well and we can relax and let you get on with the job.”

Unfortunately, or perhaps I should say fortunately, this is a somewhat more democratic country than that. This Legislature should be wholly and fully involved in the process of reviewing, examining and making recommendations with respect to this document so that we do not simply put our imprimatur on it but stamp our character on it as well, and that we add to it such amendments and propositions as we think will strengthen it so that it will be that much more acceptable to the country at large and to our province in particular. I think that process is essential to the ultimate strength of the document itself.

Notwithstanding some of the problems and objections my colleagues made yesterday—I think I can speak for our caucus in this respect—we consider the accomplishment that was made at Meech Lake and later at the Langevin Block is a significant one, a substantial one. We do not believe that those who gathered, gathered there with any ill purpose or any motives that we should unduly suspect. They of course gathered as partial representatives of their parts of the country, their provinces, with the federal Prime Minister.

They certainly worked hard and long and they produced a document. Certainly it is not a perfect document and at the end of the process we may well still not have what many would consider a perfect document. I think we would take that document with less seriousness than it deserves, and certainly less seriousness than the subject deserves, if we were not to engage ourselves fully and wholly in considering it and reconsidering it. It is for these reasons that I support the creation of a select committee for that purpose. The select committee, if that is the task, must undertake this as a genuine task and it must therefore undertake a very vigorous and rigorous review of the document.

In our approach to that task, there are only two unworthy positions or two positions that will not only create a good deal of trouble for us but will also take the issue with less seriousness than it deserves.

I have already alluded to one and that is to treat it as though somehow it were now a document cast in stone that is not to be tampered with. The other is not to be willing to undergo the difficult task of understanding what we have, the limits that are imposed upon it by being, as it is, a document distilled out of the Quebec round of constitutional discussions and therefore a document which may well easily be, as it has been, attacked and criticized from perspectives that have not fully understood either the nature of constitutional construction or that have considered it important to import into the discussion other elements that belong to other parts of constitutional reconsideration.

So yes, it is important that we criticize the style and technique of the negotiations, and yes, it is proper for us to criticize those who want to treat this as a finished and complete document which we should only absorb rather than criticize and genuinely respond to.

Yes, we should criticize the omissions but we have to recognize in the first instance, if we are to take our tasks in the committee seriously, that this is a product of the Quebec round of constitutional discussion. It is not a product of the women's round, the aboriginal round, the multicultural round specifically. It is not the Senate round or any other number of rounds that one might imagine one would have to go through in order finally to produce an adequate, full and comprehensive Constitution for our country.

However, this is not to say one should not discuss these other matters in relation to the Meech Lake accord, because if there is a flaw in the process we are in, it is precisely this: When you are dealing with constitutional matters and enter into constitutional consideration of elements that have so many ramifications across the whole front of institutional structures and constitutional practices, you have of necessity always to keep your mind on the other elements of the Constitution, on the various groups that will be impacted by this particular set of propositions.

Therefore, going one theme at a time, as we seem to be doing right now, creates major problems for a lot of groups in the country that see the aboriginal community being addressed and wonder why at that time they are not also being talked about, or see Quebec being addressed and wonder why at the same time the

aboriginal and multicultural groups and women are not being addressed. Quite properly, all those groups and others must be kept in mind and their place in terms of the structures of rights, obligations and government have to be held in place as we look at every single separate phase of the Constitution. I think that has been part of the problem we have faced to date in the whole discussion in this country.

1520

Unfortunately, those who parented the Meech Lake accord, having got the aboriginal discussions out of their way, having failed dramatically and tragically in that respect, seem to have forgotten that somehow it was important still to refer and maintain in the context of the Meech Lake document at least a reference to the necessity of ongoing discussion and activity on that agenda in the context of future first ministers' meetings. The impression easily was left that we have not got anywhere on that agenda, so forget it and let us get on with something else we can be successful with.

There is nothing wrong with trying to get on with something you can be successful with but something as fundamental and as important as aboriginal rights in this country cannot simply be put in a back closet. It cannot be tucked away. It cannot be left off the agenda. That discussion and debate has to be renewed at the first possible moment and that, in point of fact, is in the context of the first ministers' meetings that are referred to in the Meech Lake document. That is where there should be substantial reference once more to the aboriginal rights agenda.

I use this as just one example because the aboriginal community is not the only one that needs to be kept in mind in that fashion. Certainly, as the premiers went back to the Langevin Block after the Meech Lake discussions, they discovered in the interval that there was indeed some necessity of making reference to those elements of the charter which protect multicultural rights.

They went through a certain process of adding and changing in order to at least bring the references of the Charter of Rights and Freedoms directly and squarely into the body of the document that they produced originally at Meech Lake, just as they discovered on the question of the federal-provincial relations question that it was critically important to have in this document a major clause which stated quite clearly that this document did not in any way change the jurisdictions of either the federal government or of the provincial governments, but that those

jurisdictions remained totally and completely intact and were not affected by the contents of the Meech Lake accord.

As we go through this process in the committee of examining the Meech Lake document, it is going to be very important for us to hear as much as we can about how the resolution of the Quebec round of discussions impacts upon other groups and how other significant groups and jurisdictions need to be protected, represented within the body of that document so that they are not forgotten and so that they remain actively on the agenda.

Let me turn then to the document itself for a few comments about its sections and some of the discussion that has arisen around each of these sections.

There are of course seven sections as we have it at the end of the Langevin discussions. There are the "distinct society" clauses. There are the immigration clauses. There are the Dominion-provincial powers or the spending-power clauses. There are the Senate clauses. There are those that pertain to the Supreme Court of Canada. There are the amendment clauses and then there is a general clause at the end of this document.

There has of course been a good deal of anxiety in some quarters with respect to the language about a "distinct society" for Quebec. For myself as someone who has read as a Canadian historian a lot of the documentation on the attempts to describe the status of Quebec in the Canadian Confederation, I really did think that this statement put the whole issue about as neatly as it could be put when it described the recognition that the existence of French-speaking Canadians, centred in Quebec but also present elsewhere in Canada, and of English-speaking Canadians concentrated outside Quebec but also in Quebec, constitutes a fundamental characteristic of Canada. I thought that was about as neat a package as I have ever seen constructed to describe the relationships.

Out of that, of necessity, there arises a certain sense of that province being special. Many people have reacted very negatively to the language of special status. What I want to say is that in fact each of the provinces came into Confederation in a different fashion and with different kinds of rights and legislation attached and different terms and conditions attached. There is a sense in our Confederation in which each of the provinces has a special status. No province is exactly like any other. For that reason, it is not improper to speak about special status with respect to Quebec.

We all must recognize there is a special status that accords to Quebec by virtue of language and all that language and culture convey, and we recognize that this special status, that special community as a minority-language community in a larger majority-language sea, is bound to have slightly different protections for itself than are the provinces of the majority-language culture. This is really all that is meant by providing special status or recognizing a distinct society.

Those who worry that somehow or other, if we create some distinctiveness there, that will suddenly impact adversely on aboriginal rights or multicultural rights or women's rights need to make their case to our committee, but they also need to think a little harder about that question. If, for example, one looks at the province of Quebec, one recognizes there is indeed a society there which is as civilized as any other in this country, with as deep a sense of human rights as any other. To realize that is the case, one has only to look at the arrangements Quebec has made respecting aboriginal self-government, the only province in the country to have taken large steps in that direction.

One has only to look at the Charter of Human Rights and Freedoms of Quebec to realize it is even more extensive than the Human Rights Code in Ontario, and even in some respects goes beyond the Charter of Rights and Freedoms of the country as a whole. Included in the Charter of Human Rights and Freedoms, for example, are such broad and sweeping statements as, "The charter shall not be so interpreted as to suppress or limit the enjoyment or exercise of any human right or freedom not enumerated herein." In another instance, with respect to multicultural groups: "Persons belonging to ethnic minorities have a right to maintain and develop their own cultural interests with the other members of their group."

In this document is the basis, certainly, for the kinds of protections many people have worried might be lost as a result of the "distinct society" clause. Of course, the "distinct society" clause itself makes it quite plain that recognizing the distinct society does not in any respect derogate from the powers, rights or privileges of Parliament or the government of Canada or of the legislatures or governments of the provinces, including any powers, rights or privileges relating to language.

I think one needs to look rather broadly and interpret rather broadly what the clauses about the distinct society provide, not only by way of

explicit assertion of distinctiveness but also in terms of implicit recognition of rights of persons, rights of multicultural groups, rights of aboriginal groups, rights of women, etc.

1530

With respect to those questions of rights, just to make the matter clearer, of course, the document, as crafted in the Langevin part of the discussions, went on at the end to include a general section which made quite specific reference to the incorporation of the sections of the Charter of Rights and Freedoms pertaining to the aboriginal and multicultural communities.

It would seem to me entirely appropriate to add to that section, and we in the committee certainly will get this representation from the women, I suspect, that we should at the same time include in that section the portion of the Charter of Rights that relates to women's rights, which of course were put in the original charter as a kind of afterthought, so male-dominated was the original discussion of that charter.

With respect to the issues around immigration, there is really not as much new here as meets the eye. I think most people in Canada were not aware of the fact that from 1867 on, immigration was an area that was shared in provincial and federal jurisdictions. The provinces that wished to engage in immigration practices and regulations and legislation had every ground in the 1867 accord to do so. What is added to it, of course, is a special agreement with the province of Quebec for special arrangements, by mutual agreement between the federal and provincial legislatures.

When that came back here, the Conservative Leader of the Opposition at that time made a great deal of those provisions. All they provided was that Quebec should secure its own proportion in population in immigration, and nothing more, although it did have certain protocols of its own with respect to the proportions that might be sought from certain language groups from certain nations that would provide additions of the French language to its population, rather than other languages.

Again, so as to protect the rights in question, the final document makes it quite plain that not only is this section to be in complete agreement with all other aspects of the acts of Parliament of Canada with respect to setting national standards and objectives relating to immigration and aliens, but it also affirms the fact that the Charter of Rights applies and again returns in the general section at the end to the mobility rights in the charter which affirm the right of anyone who

immigrates to any province to move freely in and through the rest of the country and to settle anywhere he or she desires.

From that point of view, there are already significant protections in this document. It may well be that they are not adequate, and we will be very interested to hear from the many groups that are concerned in that respect to see whether there are perhaps still further improvements that can be made. None the less, there is a good beginning in that respect in the document.

When we come to the question of spending powers, perhaps there has been more misunderstanding around this part of the document than any other. First of all, what the document does is to affirm for the first time federal spending powers as an acceptable practice within the framework of provincial jurisdictions.

That is a very notable strengthening of federal powers, and many of the criticisms around this point have been just the opposite: that in fact this document undermines federal powers. But I want to remind members this is the first time the Constitution has ever made any reference to the right of the federal government to spend within the provincial jurisdictions, and not only to spend within provincial jurisdictions but indeed also to set down certain kinds of standards or requirements that the programs the provinces might set up in lieu of a federal program must meet in order to have the money paid. That, from any objective view of the Constitution we have lived with in the past, is a significant strengthening of federal powers. I just do not think there is any controverting that point.

Those who have been worried about this subject and who have suggested it would not be possible now to set up a medicare program in the fashion we did or that it would not be possible in the future to set up a day care program of the style some of us would like across this country, requiring national objectives and standards and some consistency, frankly I think are quite wrong. What they have forgotten is that the initiatives the federal government makes in these areas are very clearly initiatives taken within provincial jurisdiction.

For that reason, they are in a sense trespassing on somebody else's territory. So there is no way this document could go all the way and say that anything the federal government wanted to do, through its spending power within provincial jurisdiction, it would have a right to do. How could you do that and say that those areas of activity were still then somehow provincial? What you would have done is you would have

legislated, amended, those large provincial social spending categories into the federal jurisdiction. Nobody that I have heard from has any intention of doing that.

There really is in this document no change in the balance of federal-provincial jurisdictions, but there is an affirmation of a federal practice which was defined as clearly by Mr. Trudeau as by anybody and which he now somehow or other seems to be attacking this document for now establishing. It is a curious act that Mr. Trudeau is engaged in these days. It certainly is a very self-contradictory one at this particular point.

With respect to the increased provincial presence in two other federal institutions, namely, the federal Senate and the federal Supreme Court of Canada, again there are issues here we are going to have to look at in the committee. There has been a lot of discussion around them. Clearly the issue of Senate reform has been with us for a long time and people take a great many different positions on that. Some people who want it may be unhappy that the new amending formula makes it almost impossible to get anywhere on this agenda. Others who think the Senate might be a more dangerous instrument if it were elected rather than appointed might well hope that perhaps this will at least prevent the worst happening. Those of us who might be interested in seeing the Senate abolished—

Mr. Laughren: Hear, hear.

Mr. Allen: My colleague the member for Nickel Belt (Mr. Laughren) is a strong proponent of that position.

Mr. Breaugh: Just until the appointment comes through.

Mr. Allen: Just until the appointment comes through, someone has said. We will have to see. That always puts us to the test and it will put my friend to the test as well when the Premier (Mr. Peterson) reaches over in order to remove a powerful adversary from this Legislature and recommends him.

Mr. Laughren: Enough, enough.

Mr. Allen: Excuse me. Enough of the playfulness.

Obviously, this is a matter of some contention and controversy and it will be good for us in the committee to get into some really solid discussion about it. There is no question that in this respect the amending formula is going to make any further progress on this agenda very difficult.

In the meantime, if we follow Meech Lake, I suggest the situation of the Senate will not be much worse than it presently is, from anybody's

point of view. I do not know that it will be much better but at least it will remain a patronage-ridden body, appointed principally through the provinces and their recommendations to the federal government which will select from the recommendations those who will then become senators. It will have exactly the same constitutional powers as it is exercising now. They are strictly limited. They can occasionally be valuable and that can still happen. I do not see anything here that really has to totally overturn anybody's world, at least for the time being.

1540

When it comes to the Supreme Court of Canada, I think one has to respect the fact that having a provincial presence in the Supreme Court of Canada may not be a bad thing, but our committee will have to ask itself whether that is not indeed the case. Certainly, it is not obligatory under the Meech Lake agreement for the federal government to appoint any and every person who is recommended by the provinces.

It may refuse any and all of those recommendations and ask for another recommendation, so there are considerable safeguards against some Premier's friend being recommended for a Supreme Court appointment simply because he happens to be some Premier's friend. That obviously cannot happen and no self-respecting federal government will let that happen. It has the powers under Meech Lake not to let that happen.

I think the worst imaginings that some people have projected around that particular provision again will not be the reality if Meech Lake is passed and certainly need not be the reality if the federal government maintains its role in that particular section of the document which still gives it the direct power of appointment.

It is when we come to the amendment section that most of us have the greatest difficulty with this document. I hope here the committee will be able to be very creative in working over the amending-formula question once more. I know we laboured long and hard for many years to try to get ourselves to an adequate position in this regard. I personally thought we had got about as good as we could get in 1982 when we had full provincial agreement necessary for a very limited series of federal institutional changes but with the rule of seven provinces plus 50 per cent of the population for other amendments to the Constitution, including, for example, those affecting aboriginal rights.

However, Meech Lake seems to me to have included in this amending section with regard to federal institutions a number of clauses that

should be reconsidered. I think the clause that needs to be reconsidered most of all in that section is the one affecting the creation of new provinces. Obviously, in the past the provinces have not been consulted directly in the process of amendment that brought new provinces into being. I am not sure that I see why now every single province should have to agree to a new member of the club.

I do not understand why the old formula is not good enough in that respect. If having the Yukon or some other part of the country incorporated as a province on its request, when it wants to be, is good enough for seven of the provinces and good enough for 50 per cent or more of the population, I think that ought to settle the matter. Quite frankly, that particular clause needs to occupy the committee. In my opinion, we need to bring back a new recommendation in an address from this House to the first ministers when they reassemble to do the final work on this document.

As my leader said last day, in this business of constitution-making one can tie oneself up in knots. One can make the processes of amendment in particular so rigid as to make it virtually impossible to make further progress in this country on some of our most important agendas. None of us wants to see that happen, but it can easily happen if we do not do our job well in reviewing the document at the levels of the legislative assemblies in each of the provinces of the country.

I would hope that each of our assemblies in each of the provinces will take a rigorous approach to the Meech Lake accord. After all, the power of this nation finally comes from the sense of right that inhabits the population at large. They elect us. They assume that we will reflect that sense of duty, that sense of right, that sense of obligation, those senses of purpose that exist at large in the community. Those things should be reflected in our consideration of any document as important as this.

The place for us to do that in this Legislature is in the committee. I hope that committee members will attack their task with a good deal of vigour and that at the end of the day we will have something creative to send back to Ottawa and not just simply a mere assent or a mere reflection, although if at the end of the day we have looked at all the issues and do in fact decide that this is the best way it can be put, the best way it can be said—although I do not share that point of view at this point in time, so be it—but the work must be creatively undertaken and not simply in the

fashion of a rubber stamp or, as my leader said yesterday, “You either accept us our way or it is the doorway.”

That is not the role for a dignified assembly like this. This assembly has on many occasions risen to remarkable heights, especially when it has responded to major issues of constitution-making in the debates that have taken place here. I would hope that level of debate will be reflected once more in the work we do on Meech Lake, and so I rise to support the proposal to strike the select committee and to get on with this task.

Mr. Cousens: I appreciate the fact that the Legislature at last has an opportunity to discuss this whole subject of the revision to Canada's Constitution.

I would like to give some background. When I think of a lake, I think of some of the wonderful places where I have spent part of my youth and my adult life. Sharbot Lake brings great memories out on an island; Lake Huron and Georgian Bay with my family in the summertime now; Little Lake in Midland for good bass fishing; Oak Lake up near Kenora for phenomenal pickerel; Skootamatta Lake is another one that is over in Haliburton.

There are so many lakes in this great country of ours that evoke great memories for Canadians. It almost makes meaningful the quote by James Barrie when he said, “God gave us memories so we might have roses in December.” When you think of some of these spots that we have had a chance to go to in the good weather or whenever, it is special.

I have to say that Meech Lake in the Gatineaus was never a place that I had heard of before the meeting of the premiers of this country and the Prime Minister. It was a lake named after a Congregationalist minister who had a cottage there in the 1820s and it took the name of Asa Meeches and has since been there for ever.

Now when I think of Meech Lake, it brings not good memories; it does not bring pleasant thoughts at all. In fact, if I were to try to draw a parallel, it reminds me more of a Gethsemane. I believe there was a betrayal that took place at Meech Lake that will undermine my concept and my view of what this country is and should be.

It changes for ever the sense of Parliament being supreme over the courts. It changes the sense of federalism where we are now loosening the control and the reins of the federal government and giving more to the provinces. It changes my understanding of the role of Quebec within Confederation. It for ever changes my concept of what Canada is and could become.

I sincerely believe, though the parallel of Gethsemane falls down. Our Premier has really let this province down in not fighting for and not supporting some of the concerns that I will address shortly.

1550

Il est très important que le Canada soit uni. Il est très important que le Québec continue à faire partie du Canada. Il est très important que le Canada demeure une union très forte des provinces. Il est impératif que les effets à long terme de l'accord du lac Meech ne mettent pas en jeu les droits du Canada tels que garantis dans la Charte des droits.

There are a number of concerns I would like to address in my participation on this motion. I would like to address them because I feel they are problems and they are oversights that are significant.

I am pleased that it is going to go to committee but I regret that the results of those discussions will not impact on the thinking of the Premier, that he is not willing to make any amendments or any changes to the Meech Lake accord.

I am concerned with the process that was followed in coming up with a deal. It took two years to get a free trade agreement for our country with the United States. It is still not complete and it will be an ongoing process for many years before we have what I hope will be an ongoing, strong trade relationship, a bilateral trade agreement with the United States; that will be an ongoing process. But here, in a few short meetings, a contrivance has been made supposedly to settle for ever in Canada the constitutional concerns that underline some of the problems we have had since 1982. So I am concerned that the process was such that after just a marathon meeting, the decision was made.

I am concerned as well with the cost of this achievement. What was the cost to bring Quebec back into the constitutional fold? A professor from Carleton University, Dr. Bob Jackson, raises at least a couple of points that are worthy of consideration. He says: "What is there to say that a future Quebec government deems that the amendments that are set out now might cause them to opt out again? What is stopping that from happening? Will another round of concessions bring them back into the fold again? At what cost"—here is another aspect he raises—"does this accord alter our federal government structure for ever?"

The federal government, in the kind of federation we have had, is a delicate balance between two levels of government and I believe

that the accord alters that basic structure from an already loose system to one that is so decentralized that it will only work when there is no conflict. But we all know that in Canada it is difficult to gain a consensus, so I have problems with the process and I have problems with the cost if we have to concede more to Quebec in the future.

I also have concerns with the relationship to the judiciary and with the ramifications of this agreement on the parliamentary traditions we hold so strong. Does this now, through some of the clauses in this agreement, place responsibility on the shoulders of the judiciary, a task which otherwise in the past has always belonged to Parliament, where legislation is made by our members of Parliament, not by the courts?

Some of the provisions of the agreement are cause for alarm. I am concerned with the recognition of Quebec as a distinct society and the role the Quebec government now has preserved within this agreement to preserve and promote that distinct society. I ask, what constitutes a distinct society and what powers does the province now have when it is to consider itself a distinct society?

What are the implications of this in terms of Quebec's language law, Bill 101? What is the impact going to be on English-speaking Canadians in Quebec? What is the impact on the Canadian Charter of Rights and Freedoms? Does this clause override a person's rights under the charter? That question has not been answered to my satisfaction, nor to the satisfaction of the Law Society of Upper Canada or a number of other groups.

Will the formal recognition of a distinct society legitimize future demands for sovereign independence? I am concerned with the recognition of Quebec as a distinct society as possibly a fundamental change to the way I have viewed Canada in the past.

I am concerned as well with the opting-out provision of shared-cost programs in this country. This is notably one of the more contentious provisions, but the question I would like to ask is, will this not prevent the federal government from truly establishing national programs? How will the national objectives be defined now? Would it be possible for the federal government, under this kind of clause, to implement medicare? How will compatibility be determined in the future? Does the opting-out provision give the opportunity for our country to be less focused, less drawn together, more drawn apart than it has been in the past?

I am concerned with the amending formula. Now that we will require the 10 provinces in this country to give unanimous consent, Ottawa will be required to have that to make changes, especially when it comes to the House of Commons, the Senate and the Supreme Court. Again, I worry about power that is splintered about the country; as someone said yesterday, for a province not much larger than the size of East York or any of our ridings.

I am concerned about future constitutional amendments. Will they be possible or realistic in view of this requirement? What will happen if we come to a time when other provinces are to be invited into this great Confederation? Where does this leave our territories, should they wish to become provinces?

Another concern I have is with immigration. The agreement guarantees Quebec a share of the immigration, the new people coming into our country, proportional to its population; that is, 25 per cent of all new immigrants will have to go to Quebec plus an additional five per cent for demographic reasons. I ask one fundamental question: Are immigrants applying to come to Canada or are they applying to come to one of the provinces? I have always felt I was a Canadian first and I would hope that people in every province would see themselves as Canadians first and members of that province second.

I am surprised, but I suppose in the haste of trying to get things done—but that is part of the concern I have of the betrayal of the Premier in not doing something about property rights and native rights. Everything was done so quickly that prior to the signature on June 2, there was not an opportunity for public hearings. I hold the Premier responsible for unalterably altering the face of this province and the face of this country. I believe the points I have raised are of such a fundamental nature that they are a betrayal of the trust of protecting the rights of the people of Ontario.

I see it as a fundamental breakdown. I see it as a philosophical breakdown. I see it as something that is unfortunately going to be irrevocable after this is passed into law. Oscar Wilde said, "Democracy means simply the bludgeoning of the people by the people for the people." I do not believe that is what democracy is, but I believe that if democracy is not handled the way it should be, when our leader is given the opportunity for participation and for dialogue and for this House, for instance, to participate actively and realistically in the debate that could take place for the drawing in of Quebec, for the unification of this

country, for building it and making it a better and stronger place to live, then that would have been true.

What we are now faced with is that a committee will go out, it will talk and it will come back. We are going through a process that will not accomplish a great deal, because it seems that the Premier's mind is made up.

I am not happy with Meech Lake. I know Meech Lake will always bring to me an image of something that is not pleasant and good, because with Meech Lake, Canada became something less than what I dreamed it was capable of becoming.

1600

Mr. Breagh: I am pleased to have an opportunity to kind of participate a little bit, because I think many of us have looked with some great difficulty at the process that surrounds this agreement and we have wanted for some time now to have a chance to talk about it for a bit.

The process, and I want to spend a little time on that, is one which confuses the population at large. In part, I think it is simply because the Canadian people, by and large, are not familiar with things constitutional, if I can put it that way, as opposed, for example, to an American citizen who is very much aware that there is a Constitution of the United States and that where I live, where I work, how I work, what kind of education I get and whether I can speak or not, all of these things are somehow related to that thing known as the American Constitution.

For Canadian citizens, this is not really part of our life experience. We have not had our own Constitution for very long. We are not accustomed to the process of a constitution being amended and of our citizens using litigation and the court system to kind of establish how they fit into the Constitution. I think in some measure it is that newness about the consciousness of people in Canada and their personal relationship to a Constitution that has caused some confusion.

In part, I think the uncomfortableness, if I could put it that way, of the Canadian people with this process is that it is not a very logical process as it has been followed to date. For example, I think of the first round, where there was a good deal of press coverage and discussion of kitchen conversations that led to changes in the Canadian Constitution. Many people around us would understand that when you go to a meeting, you very often step outside into the lobby and have a little discussion with somebody about, "What if we tried this?" So in a very real sense, it is

understandable that prior to a formal consultation you would have a discussion in the hall or in the kitchen, and two or three players in the meeting would come to some agreement and then try to formalize that in a formal setting. That is understandable.

What is not understandable to the Canadian people, or to me, is that the constitution of a nation would essentially be discussed in private, formalized in private, and that our parliamentary institutions could not find within their process some means whereby the citizens of Canada could have their say and make their presentations. I am frankly pleased, then, that in the Ontario Legislature we have at least gone this far, because it is not the case in all of other the provinces that any form of committee of the Legislature was struck, nor were there any guarantees that there would be access for the population at large to present their point of view to that committee. So in a sense, the Ontario Legislature is doing more for its citizens than perhaps many of our other provinces do.

But still, the process rankles people and I think quite rightly. It rankles them because it is a new process to this country. They do not understand how in a democratic country the citizens do not have a right to state their case. In almost every other law that this institution could pass—for example, each member in here would say: “I want that to go to public hearings. I want it out of here to go to committee and part of that process is to allow for public hearings.” We do that on laws from Sunday shopping to the Highway Traffic Act to everything that we process in the form of legislation, so it surely follows as a natural thing that in Canadian politics, on a matter such as the changes in the Constitution that are being proposed here, we would follow that process.

Now, in part, the players are causing a bit of a problem as well. I am one who has some difficulty with the current Prime Minister of Canada. I watched him last night on *The Journal* and I was struck as I watched him that he does seem to be learning some lessons, but his credibility factor with the Canadian people is probably at an all-time low. It is strange that this was a man who was so immensely popular such a short period of time ago, and now he would have some difficulty giving away Cadillacs on the streets in Oshawa. People do not like him and do not trust him.

In part, I have heard in this chamber today some things which disturb me. I want to address this because I think it is part of the process as well. There is a growing and disturbing trend in

Canadian politics to set aside what traditionally we have felt is sacred ground.

The standing orders of this Legislature set out that all the people in here are honourable people, that they do not tell lies, that there are things about their character that we can dislike but that is not why we are here. We are here to criticize, to suggest that we are for or against the public stands they take, the laws they propose, the policies they put forward.

The problem I see emerging is that we are slipping down a notch from that, which is a very old and honourable tradition of a parliament, that they are all honourable members and we can disagree freely with them but we do not call them names. I have followed with some interest and with some dismay the discussions in our national Parliament.

If I wanted to have a discussion using the kind of vocabulary I have heard lately in the federal Parliament, and unfortunately sometimes in here, I would not need a parliament. I could find beer parlours from coast to coast where there are people who are very adept in that kind of language, who can offer that kind of fervour without any expense or bother at all. It goes on on an everyday basis and they believe very strongly in what they are saying and they use the language that is theirs. It should not become the language of our parliaments.

If that is the kind of discussion we want, we do not need a federal Parliament in Ottawa and we do not need a Legislative Building here. The purpose of this exercise is to kick the discussion upstairs just a touch. It is not that we are any better than anyone else. It is just that there ought to be a requirement that when we come inside this chamber, we are required to use a language and a logic that is perhaps uniquely that of a parliament. We are slipping somewhat in that regard in this country and I regret that. I think we do a great disservice to ourselves and to the people we represent when we allow that to happen.

Part of your job, Mr. Speaker, is to try to see that it does not happen. We all know it is an almost impossible task. The Speaker cannot control what comes out of the mouths of the members because at least they get a first shot at making idiots of themselves, but it is incumbent on each one of us to try to upgrade that just a touch.

I am reminded that this chamber, this institution has changed a great deal since I came here. When I first became a member, if someone had suggested that a woman would occupy the Speaker's chair, it would have been thought quite

ridiculous, but now one does. If someone had suggested when I first entered here that every word that is spoken in the chamber would be translated from English into French, that would have been seen as an outlandish idea. If someone had suggested that the people of Ontario have a right to see their parliament at work, that would have been laughed out of here. I know, because it was, several times.

Now some great changes have taken place. There are changes among the members. If one looks around the chamber these days, one will see a lot of new people and one will see a lot of women. All these changes are ones I believe are very positive. They offer me hope that the democratic process is working. It does not work perfectly. That is why we have the unfortunate majority we have, but it is working. Despite the fact that not everything goes the way I want it to go, the process and the institution and the Ontario Legislature is changing.

In many ways, this is our hope for all this constitutional discussion. If we took the stance, and some do, that the Meech Lake accord is written in stone and no changes will occur from this point on, then I would argue that we are in trouble. I hope and I sense that this is not going to happen, that there will be a continuing flow of constitutional changes now, that the logjam which held for so long is now broken and that the opportunity to make changes in the Canadian Constitution will come on a fairly regular basis. If I did not believe that, I am afraid I would be much more upset than I am with the Meech Lake accord.

1610

Some have argued that they are not quite sure what a legislative committee will now do with this debate, where it will go and what will happen. I want to point out a couple of areas where I think a very important task lies in front of somebody, and probably this committee is the body that will have to take the initiative.

Someone has to restore a great deal of credibility to the whole political process. Someone must redress the fact that our people have things to say and our politicians are choosing not to hear them. Someone must provide an outlet for groups in our society who feel wronged by this accord. It cannot be that they will only listen to the words and not follow the advice.

No one quite understands at this point in time exactly what would happen, for example, if amendments were posed and carried and came back into this chamber and carried. The suggestion is that the world would fall apart. I do not

really believe that is true. Perhaps it will not be an amendment which carries. Perhaps it will be a commitment to continue which carries the day in committee. Perhaps it will be the ventilation and the understanding of the problem that carries the day.

Somehow there is a need to rescue the process here. The job of the committee in large part will be simply to do that, because the political process in this country, in my view, is under heavy fire these days. People do not believe their political systems any more. They personalize it a great deal. The faults of individual human beings are very often being transposed into being the faults of the whole political process. I cannot believe that to be the case, but I do know that on the streets of my community it is. Politics is very much a personalized thing. There is a good side and a bad side to that, but it seems at this point in our history the bad side far outweighs the good.

The process that is in front of us, the selection of a committee of the Legislature whose intent will be to take the Meech Lake accord and to hold a series of public hearings, is important. What is important as well is that the process cannot be one which is isolated here at Queen's Park. This committee has an obligation to use the technology that we have in our broadcast system, to travel about Ontario, to see that not only those groups who have access to us here in Toronto but groups from around Ontario have equal access to these hearings. That will be a critical factor.

If it is to be an academic exercise, and it could be, the committee might decide—I hope it would not, but it might—that all it is going to do is sit in one of our committee rooms here and invite in certain selected people to make their presentations. We now have an unfortunate precedent in the federal House, and this is a little hard to explain to folks, of private public hearings: public hearings by invitation only. Only those groups the federal committee wants to hear will be allowed to appear. It is argued the reason for that is that they do not want too many people talking to them, that they will somehow select a representative group and they will hear it.

All of us who have sat on legislative committees here know it is not an uncommon phenomenon to go to one of our committee rooms on a bill and hear the same thing being said by 25 different groups. It is a little boring, it is not too exciting and after one has heard it 17 or 18 times, the thrill is gone. But the purpose of the exercise is not to thrill the members; the purpose of the exercise is to provide each of our citizens with a reasonably legitimate access to the system, where they can

come and talk to us, they can present us with their briefs, they can provide us with their opinions. It is amazing that a huge number of people in Ontario have really good ideas about things. That will be one major function of this committee.

There are some concerns that need to be addressed. I have listened to some members in this chamber on this debate use words which I do not use about these hearings. For example, I am a little confused by some of the positions that have been taken by people. I have listened to some great constitutional experts. I now firmly believe that you get to be a constitutional expert by getting 50 miles out of town and hanging out your own shingle, because I cannot determine that there is a set of qualifications which makes you a constitutional expert. I do not know where you get that particular PhD. It seems to me that if you hang around the Canadian Senate long enough, you are going to be labelled as a constitutional something, or there may be a spelling mistake and you get more accurately labelled.

I think we have to go at the process in a slightly different way. People have said, for example, that Quebec was not a part of Canada until this agreement was struck. Where did it go if it was not a part of this country? When I went there last year, it was still there. The people were still there. The cities were still there. All of their needs, all of their programs were still there. The Nordiques were still playing hockey. All of that still went on. Quebec did not leave the country during the period when it was not constitutionally a part of the nation, so I think we have to add a measure of reality to all of this discussion, just as I would say putting words on a piece of paper will not bring Quebec in any different way into the nation.

That goes back to something I said earlier about institutions and their change. Constitutions will have to reflect our Canadian political and cultural institutions.

If I really believed there was an intent or something in this agreement that excluded women, I would be very angry indeed. But I cannot. If I really believed there was something in here which would now exclude all of the ethnic groups in our society, I would be very angry indeed, but I cannot bring myself to believe that. I cannot believe that a piece of paper, or words on a piece of paper, by themselves will exclude anybody from anything. There will be judges in a court. There will be members in a parliament or in a legislature who may do that, but the words on the piece of paper will not, not by themselves.

So we are challenging our institutions to respond to this. This is an initiative. This is a change in the way this country is governed, and that is something I think we should put forward as another task for the committee.

Someone has to give us a reasoned explanation as to how extensive the changes will be. It is said by some that no federal government program can ever be effective in this country again. I cannot believe that. I believe there is not even the intention of that in here. I believe it might be a little more difficult, I believe it might be done in a different way, but I cannot believe for a moment that the federal government of Canada has diminished its powers whatsoever by this agreement.

I can make a reasoned argument that the provinces get some additional powers, and this brings me to something that is unique about Canada. I would say that if this agreement was proposed for any other nation in the world, it would be silly. There is something uniquely Canadian about this agreement, uniquely Canadian about the idea that you would have anywhere in your Constitution a condition that things be done unanimously.

In many countries of the world, people would say, "You'll never get unanimous agreement to do anything by anybody on anything, on any matter at all." In Canada it in fact has been our practice on a number of things that we are a nation almost of consensus, that a provision of unanimous decision is not seen as being wildly idiotic. It is one which has been used and which has practical ramifications here, and in part it goes to the nature of the country.

When one stops to consider the provinces of Canada and one looks at how different they are in terms of need, in terms of development, in terms of culture, in terms of population and resources and initiatives and industries and all of that, Canada is truly a unique nation. It is as different as different could be. Even within our provinces there are vast differences.

We just had a Commonwealth Parliamentary Association meeting here where we had delegates in from all of the other parts of Canada. By and large, in my discussion with those delegates there was an assumption of great wealth in Ontario. Yes, there is in some parts of Ontario. There is also great poverty here.

The sad irony is that in the middle of great affluence such as you would have in Toronto, there will be about 23,000 people out there tonight who do not have shelter. In the middle of an economy that is booming in some parts of the

province, there is unemployment at astronomical rates. There are no jobs for anybody in some of our communities, and yet in my community, Statistics Canada has stopped taking unemployment numbers. They believe the unemployment level is too low to measure. It is a nation that is truly unique, different in many respects from any other nation in the world.

1620

I want to put on the agenda a couple of problems I think the committee has to address. The great shame of this nation, the biggest single problem it has never addressed successfully is, sadly, what we have done to our native people. The great shame of this country is that in more than a century of talks and discussions, learned academic forays and political attempts by the same people who put together an agreement on the Meech Lake accord, they could not come to an agreement on how or when we would honour our legal commitments to our native people.

In my personal agenda of things that have to be done around this accord, somebody has to convince me there is a way to do that. Somebody has to convince me that has been given top priority as the next thing to do. It is not that many of the other groups of our society do not have equally valid problems; it is just to me a great personal shame that the native people of this nation entered into treaties, legal agreements, with the then government of Canada and they have never since Confederation had those agreements honoured. That is a shame that a nation has to carry with a whole lot of weight, in my view. That is a major problem that has to be addressed.

On a good day, when I read the provisions of this accord, it seems to me it is not unlikely that there are occasions and ways of resolving that problem here. The question is, is there really the political will to do that? As we go through this process, we do have to gather the political will to resolve that great problem. We have not done it yet. It is a problem which hangs over our heads. We have tried, but we have not resolved that one.

The second problem that has to be addressed, as well, is that there are those in our nation, in the Northwest Territories and the Yukon, who feel very bad about this, who feel that somehow they are specific examples of people who have lost dramatically by the signing of this accord. They have lost their status in Canada. A way must be found so that they are convinced themselves that they have not lost that.

I have talked to some of them directly and they feel very much that they were somehow left off the whole agenda. Some would put it in much

stronger words than that. They would use words like "betrayed." They had at least a voice, if not a vote, in the process until this point. Now they feel they have neither, nor any real prospect of ever getting either one back again. That is a problem that has to be resolved.

As I go through the component parts in the Meech Lake accord, none of them really disturbs me a great deal. I am not overwhelmed by the notion that Senate patronage will be done in a different way. I do not see that as being a big deal, frankly. I do not think it will make the Senate a better place. I do not think it will even make it a different place. If there is not some kind of substantial Senate reform, it is difficult to justify having a Senate at all. I cannot understand them, though I have read accounts of the western premiers who feel they won a major victory in getting somebody to agree to something about Senate reform, but they do not quite know what it is yet. It seems to me the mechanisms that might bring about that reform are now more difficult.

I may be wrong on some of these things. I want to give people an opportunity to point out a different perspective on all of this, to point out ways in which the select committee of the Ontario Legislature could consider such matters and perhaps clarify for people who are more concerned than I that their case has not been lost by means of this accord.

In part, I want to conclude by saying I understand that when the media write stories, the purpose of the exercise is far different from that when a parliament passes a bill. The media look for all the angles. I am one of those who watches *The Journal* and all the people who do the backgrounders on all of this, and I understand the drama and the tension that must have been around those people who stood around the Langevin Block all night long. I have read the newspaper accounts of everybody coming out of the meeting in the middle of the night, looking very tired with a kind of crumpled look about them. It may be that is a news story that really has to be told, but that is not, I hope, what this is about.

The rumour that the Prime Minister of Canada has established a pattern to his behaviour, a kind of, "Let us lock them up for the night and hold them in there until they strike a deal, any deal, it does not matter what the cost is," is pretty widespread throughout all our constituencies. I hope that is not the case.

In large measure it will be the work of this committee to say, "That might have been part of the process, but here is another part of the process

that is open to you, that you can follow word for word, that you can read word for word, that you can think about and participate in," because that is the best side of the political process in Canada. That is the side that establishes to our people that our political decision-making processes are visible to us, that this is not done in the back room by 11 people.

That, I think, is the heart of the argument that has to be explained to the Canadian people, that this is not a deal that was struck by 11 men in the middle of the night, because it cannot be. It must be much more than that: it must be a reasonably open, reasonably accountable process.

What will happen when it goes to committee? I hope there will be learned dissertations by a variety of folks. I hope there will also be some citizens of Ontario who have thought a little bit about part of what is contained in this accord and come forward just to give us their personal opinion. I think it would be nice if, somewhere, we were able to accommodate someone who did not represent 30,000 people but who wanted to write us a letter, just drop us a line about what he thought of the process.

It may be that no amendments are possible. It certainly may be, in the light of the majority here, that none will carry. But there may be other things the committee could do which would be useful. It just may be that, somewhere during the course of this process, an amendment is struck that does carry in the committee. In the traditions of our parliament here, committees order their own business. It will be important that this committee does just that, understands its job, goes and does it to the best of its ability and does not preclude any options.

I believe this is going to be an important discussion which takes place over a fairly lengthy period of time. I believe this set of hearings is important, because it will really be the first occasion in Ontario when the political decision-making process around constitutional matters is opened up, when it reaches out from the confines of the executive offices and the boardrooms and big important meetings held by the first ministers in some big important hotel and goes out to the community and says: "OK, now let us hear what you have to say about this. How do you react to this part of the accord or the process of the accord or the process of governing in Canada?"

I do not know whether we will ever get to a point in our history in Canada when we deal with our Constitution as the Americans deal with and understand theirs. It may never happen here. It may be that we are a totally different people. It

certainly is true that we are not given to litigation in the way the Americans are.

But I believe the process of constitutional reform is important and that in many ways we have to answer questions people have already raised about this accord. We have to be able to provide them with a reasoned response that this accord is not really a silly piece of paper done up in the middle of the night by 11 men. I do not believe that is the case. I cannot let myself believe that is the case.

We have to believe very strongly that this parliament has a useful function. We may struggle a little bit, as this committee cranks up, to figure out exactly what its role is: precisely how far these hearings should go, how far from Queen's Park we should move, how long it should take, whether amendments are in order or not in order, whether they will carry.

1630

I welcome the chance to be a participant in the process. I think that for many of us here this will be an unusual occasion. This is the second occasion on which this House has been able to entertain even so much as a motion on matters having to do with the Canadian Constitution. As I recall, the first time brought about some great changes in this chamber. It was the first kind of real televised debate in here. It was the first time I spoke the French language in this House. I apologize to all you francophones who listened to my attempts to speak the French language in that debate.

But the hope I have is that this chamber has adapted over the years to a changing society. This institution, which is really a pretty hide-bound one, very much given to tradition much more than common sense, is changing. Not very quickly. It is not really happy with a whole lot of change, but it is changing and it changes because it has to.

That is the hope, if there is any, that is at the centre of the Meech Lake discussions, that here is an attempt by Canada to reconcile differences. It is, as some would say, bringing Quebec in and if, while you do that, the price you pay for doing that is to alienate whole other parts of our country, it will not have been a very successful exercise.

I do not read this accord in that way at all. I do not read it with despair. I read it with hope. I believe that the accord is not a perfect document. It is flawed in many ways that even I can see. But I see in it none of the dangers that others do. I cannot imagine, for example, a federal government saying to its citizens, "We cannot deliver a

federal program, because we are constitutionally prevented from doing so.”

I do not believe that will happen. I do not believe there will be a provincial Legislature that will really be able to muster much of an argument that it cannot address itself to the needs of its citizens because there is a piece of paper that says you cannot do it. There are 130 ingenious folks inside this room when it is totally operational. That excludes some members and includes some staff. See how I got myself out of that? The purpose of the exercise, as I have always participated in it, is not to haul out a rulebook which says you cannot do this. The reason you haul out a rulebook is to find out how you can do it, and that will be the trick for constitutional discussions now and for a long time in Canada.

I would say that the primary goal of the select committee in Ontario has got many sides to it, but the biggest single one, the first one, is to try its best to restore some credibility to the political decision-making process in this nation. That is not going to be an easy task. It is not going to be something that is done overnight, either. But the opportunity is there for this select committee to begin that process, for this select committee to provide a place where our citizens can make their comments heard.

It will be also, I hope, a place where a select committee of our Legislature can respond with some sensitivity to those people, can find the ways to express the hope that this is not really all off the rails here, folks. There are problems, but we can resolve them. There are ways in which you can use the Meech Lake accord in a very positive, forceful way to make Canada a better place.

That has always been my kind of role as a member here. That is the way I have seen it, anyway. I see that as my job every day. It does not change a whit, Meech Lake accord or no Meech Lake accord, and I would suspect that most members in this chamber see that as the reason they are in public life as well. People may disagree with you a lot; people may say they dislike you a lot. That is not really a problem. It is when people challenge your integrity, when the political figures become identified as the villains in the piece: That really challenges the whole political structure of a nation.

I want to conclude by saying this. It is not that there will not be crooks in politics. Why would politics ever be any different from any other profession the world has ever known? That is not what a parliament is. A parliament is a place where a representative group of citizens meets. If

we are truly representative, we hope most of the people who arrive in these doors will be good folks, decent, caring people, trying to do the best for their community. But we also know that there will be some who will not quite hit that mark.

The political process, as I understand it, is basically designed to weed those folks out—real quick if you can, and eventually if you cannot—so that you arrive at a place where there are 130 members in a chamber. They are no smarter than the rest of the population. We should get that straight. They are no more intelligent, no more gifted. They are simply representative, and they see things from a vastly different perspective all the time.

If there was one thing I would wish for in all the debate on this accord and other matters, in all Canadian politics, it is that we would somehow find a way to become a little more tolerant of others who have a different view of things than we have personally. This is tough, we all know. It is difficult and awfully hard to avoid in a system that has political parties firmly entrenched.

I am somewhat saddened that the view of some is that, if you do not agree with what is in the Meech Lake accord, you are almost a traitor to your country. As I see it, you can be dead wrong, you can be stupid, you can be a whole lot of things, but you are not a traitor if you do not agree with this accord. I think we should try to set the record straight on that.

There may be wise, learned people, there may be a real minority of folks out there who have seen something that none of the rest of us has seen and that is the basis for their opposition. Why do we not shut up and listen to them for a while, test the waters to see if they have discovered something in here that we have not? In part, that will be the job of the committee as well.

It will be an interesting exercise, because we do not often in this chamber get to deal with constitutional matters at all. Perhaps some will argue that it takes up too much of the Legislature's time and too much of our resources. But I believe that, in part, the shift in Canadian politics is apparent. The shift is that provincial legislatures, whether there is any constitutional change or not, are going to become inevitably, more and more, an important part of Canadian political decision-making.

That is without any changes in the Constitution. It is just a hard fact of life that the politics of Canada is a very complicated business these days. It is not one which lends itself well to

sending all you smart folks down to Ottawa for six weeks where they make really wonderful decisions and go back home for the rest of the year. It is far more complicated than that.

The provincial legislatures are closer to the ground, and I think they will have more and more of a role to play in the decision-making in Canada for the foreseeable future. Whether anybody likes that or not, or disagrees with that premise or finds it in the Meech Lake accord, that is just simply a hard and fast reality, as I see it. We cannot avoid that.

I welcome that challenge. I support the proposal to strike a select committee. I hope that it does not begin the process, as some have said, totally fettered by the Premier's opinion on the matter, totally restricted by a huge majority. In many ways, this will be a test of whether this majority government in this Legislature can be responsive to the needs of other people. It will be a challenge for those on the government side to listen and respond and see how sensitive the political process in our province can be.

I have listened to those who see greater dangers in here than I do. I believe that they have those feelings very strongly and that it is not a casual feeling on their part. They have thought through the system. They have actually read a lot of the background information, and there is a pile of it on disagreement. There are certainly constitutional experts who feel that this is a seriously flawed agreement. I have read just about as many who think that it is not.

The media reports give us a very mixed flavouring of how important this is and whether it is good or bad or serious or has long-term ramifications. But it will be the job of the committee to study this, to listen to our groups and to report back. I see it as the beginning of a process, new and different ground for us to break for a while, but critical because I think we will be faced with more challenges of this kind in the foreseeable future.

I have given you my personal list of what is next on the agenda that has to be resolved in this nation and I believe that none of those problems is going away. All of them are sitting there waiting to be resolved. This committee will have its hands full, and I hope I get a chance to play a part in that process.

1640

Mrs. Marland: In rising today to speak on the resolution of the Premier that a select committee on constitutional reform be appointed to consider and report on the 1987 constitutional accord signed at Ottawa on June 3, 1987, and tabled in

the House on November 23, 1987, known colloquially as the Meech Lake accord, my first comment has to be, in looking at today's date, which is November 26, that in fact this debate is taking place six months too late.

I say that recognizing that it was my colleague in the Progressive Conservative Party, the member for Nipissing (Mr. Harris), who on May 21 placed a motion in this Legislature to ask for the very process we are now taking part in today. In placing that motion, the member for Nipissing asked in fact that the people of Ontario be given the same right that the governments of Quebec and Manitoba had given their people, the right to voice their concerns and suggestions about the Meech Lake accord.

It is very interesting to record in today's debate the fact that at that time, on May 21, which was between the drafting of the accord on April 25 and the ultimate signing on June 2, all the Liberal members of provincial parliament in this Legislature voted against the member for Nipissing's resolution and the Progressive Conservative and New Democratic Party members supported the motion.

I say that is particularly interesting because we have had members of the Liberal Party participating in this debate this week. Frankly, when the member said in May that he could not understand why the Liberals opposed giving the people of Ontario the opportunity to speak out about an agreement that will shape the governing of our nation, I must say that at that time I shared his disappointment, concern and I think, in a simple word, amazement. I would be amazed that elected representatives in any Legislature did not wish to give an opportunity for expression of support or concern on an issue as major as constitutional reform to their people in the province.

Quite frankly, I think that, unfortunately, this debate we are now taking part in is a pure sham. I respect the comments of the member for Oshawa (Mr. Breagh), as I always do. I happen not to think along his philosophical bent, but I do think the member for Oshawa is one of the most eloquent people who ever gets on his feet in this Legislature, and in recognizing his comments, I have to say that I feel that he feels this is a process that is worth following.

I have to say, for what reason? I really think that this process we are going through is a show.

I think that, had it taken place between the drafting and the final signing of the Meech Lake accord, then there would have been some purpose. I think for the Premier to come back to

this Legislature and say, "Well, folks, now let's ask the people of Ontario what they want," after he signed the final document, is the worst example of the barn door syndrome when the horse has left.

According to the Premier, the purpose of the accord was to bring Quebec into the Constitution. However, this was more symbolic than factual. The Supreme Court of Canada had ruled that although Quebec did not sign the Canada act in 1982, it is still part of Canada and, as such, as bound by the provisions of the Constitution as any other province.

In talking about the process, many have criticized the methods by which the accord was drafted as hasty and precluding public input. The discrepancies between the approach of the Premier to the drafting of the free trade agreement and his approach to the drafting of the Meech Lake accord are alarming, quite frankly, because for months preceding the free trade agreement, the Premier warned repeatedly against a last-minute deal negotiated in haste, under pressure and behind closed doors, saying that such a deal could not possibly be a good deal. That is how the Premier expressed his concerns about the free trade agreement.

The Meech Lake accord was originally drafted on the weekend of April 25, at Meech Lake, by the Prime Minister and the 10 premiers, as we know. Those premiers were kept in the negotiating room and were not allowed to consult staff.

Mr. Polsinelli: That is not true.

Mrs. Marland: If members on the opposite side of the House listen very carefully and listen to the dates, they will understand.

Interjections.

The Acting Speaker (Miss Roberts): Order.

Mrs. Marland: On June 2, 1987, the Prime Minister and the 10 premiers met in Ottawa to draft the final agreement. While they were allowed the benefit of advisers at this time, they entered into a marathon 20-hour bargaining session which produced the final draft, and that draft was signed at noon on June 3.

In the months between the first and final drafts, many groups had identified serious concerns with the first accord, yet the final draft did not reflect any of those concerns.

By contrast, the free trade agreement was negotiated over several months, allowing substantial time for groups to air their opinions and study the issue, including the Premier, who voiced his concerns repeatedly, had his members

participate in an all-party committee review of the issue, had his ministers conduct impact studies and met with the principal players in Canada and in the United States.

The Premier has criticized the free trade agreement because it does not respond to the concerns raised by particular groups, while he himself ignored the concerns of many in the final draft of the Meech Lake accord. The Premier claimed he needed an election to receive a mandate from Ontario on the free trade agreement. He did not ever seek a mandate from the people to significantly change the Constitution of Canada. In spite of the fact that his party came second in terms of the number of seats in the 1985 election, he apparently felt free to totally alter the nature of this country over the course of about 48 hours, in total, of negotiations.

The Premier says the accord should be supported because it is good for Canada. Whether it is good for Ontario is irrelevant and we should be prepared to act in the national best interest and bring Quebec into the constitutional fold. The Premier says the free trade agreement is bad for Ontario, and therefore bad for Canada. He ignores the fact that the majority of the other provinces, Quebec in particular, supports the deal.

The Premier wants time for public input on the free trade agreement and time for it to be changed. However, after the drafting of the original Meech Lake accord, the Premier refused to hold public hearings on it in Ontario, despite repeated calls for such hearings from the Progressive Conservatives. Even after we had moved the motion to which I referred earlier, the Premier still refused.

It was only on June 1, 1987, the day the Premier left for Ottawa to sign the final accord—and I address the comments of the member for Mississauga North (Mr. Offer)—that he called for national public hearings on the accord, saying it was one demand he would make. When he was then pushed on the issue by the media, he said he would hold public hearings in Ontario.

Was that not marvellous? The day before he went back to Ottawa, he finally realized his mistake and his error in not supporting the resolution of the Progressive Conservative Party that had earlier in this House asked for this very process we are going through today. How interesting that the Premier finally saw he was wrong to be going back to Ottawa to consider signing a final document without asking the people of Ontario what were their hopes, their

visions and their dreams for the future of their nation.

1650

When he was pushed on the issue, it was only then that he agreed to hold public hearings in Ontario. Prior to the signing of the final accord in Ottawa on June 3, 1987, the Premier said the Meech Lake accord was a delicate balance which could not withstand any changes. Indeed, the changes between the draft and the final versions of the accord were minimal.

The Premier and the Attorney General (Mr. Scott) have since been sending out mixed signals on whether the accord can be changed. The Premier told women's groups he would bring up their concerns with the accord at the first ministers' conference held during the election. Madam Speaker, you would be interested to know, however, that the accord was not on the agenda and the Premier did not request that it be put on the agenda. However, after raising the matter in casual conversation with other premiers, the Premier declared there was no basis to the women's concerns and that the accord did not need to be changed.

It was after the Premier had already said there was no basis to their concerns that the Attorney General met with these women's groups and said there might be a basis for concern and that he would look into the need to change the accord, he being the Attorney General.

We have heard a lot of comments during the discussion and the debate yesterday and today about the distinct society, and that is an area, I think, that perhaps each one of us could probably speak on in an impassioned mode for a number of hours. I plan to be brief but I want to say first that the women's groups, the ethnic communities and natives are upset by the defining of Canada and Quebec solely on the basis of the language spoken, feeling that they should have been identified as an integral part of the provincial and national character. What else has ever made and formed this great nation of ours?

However, the major concern about the "distinct society" clause is the fact that no one can adequately explain what it means. For example, would Quebec have the right to eliminate the use of English in business or cut back on minority-language education in order to preserve and promote the French-speaking majority and ensure the minority status of the English-speaking citizens? Would Canada and the other provinces have the right to refuse French-language services and education to preserve the English-speaking majority? Could they establish immigration point

systems which would be biased in favour of English-speaking immigrants?

There are a multitude of interpretations of this clause already and when the Premier was asked to explain what that clause meant, he replied that it would be interpreted by the courts. I think that is wonderful. We start off right away with a constitutional accord that no one can interpret except the courts.

Madam Speaker, I recognize that interjections are out of order, and I am wondering how long I have to listen to the member for Mississauga North. Since he has not had an opportunity to take part in this debate himself, I can sense that he is certainly trying to take part during my participation. I would welcome discussing this subject with the member for Mississauga North at some other time.

Mr. Offer: Is that an invitation?

The Acting Speaker: Order.

Mrs. Marland: In dealing with native groups, and this is another area about which I have a great deal of concern, I feel in particular that this Meech Lake accord continues to disenfranchise our aboriginal people. Native groups have said that they have one additional concern on the accord. In the Canada act in 1982, a series of federal-provincial conferences on aboriginal constitutional rights was pledged and promised. The last of these conferences was held in the spring of 1987 and still no agreement was reached.

Native groups are upset that in the course of five years the provinces and the federal government were unable to agree on aboriginal native rights but were able to agree on Quebec's rights in the course of 48 hours of total negotiation. Five years of discussion about native rights for our aboriginal people and there was no solution, no resolution; yet in 48 hours we are suddenly able to resolve Quebec's rights. While these people want aboriginal constitutional rights spelled out in the accord, the very least they want is the establishment of a new round of federal-provincial conferences on the subject. I really wonder where we are going today.

The Premier has said, under questions from this side of the House yesterday, that he will not allow a free vote. That in itself, I think, is the most grave happening around his resolution. In his resolution he is setting up a select committee to review this accord. If he was really committed to the outcome of that committee's recommendations, if he was really committed to the rights of every individual Ontarian today, he would give all Ontarians the right to have their views

supported through the process of their democratic representation by their members in the Ontario Legislature.

That is not going to happen. The member for Mississauga North may go to his constituency, and he may speak to those people whom he represents as may any other member in this House. If their views and opinions are not—

Mr. Offer: On a point of order, Madam Speaker: I would hope the member for Mississauga South (Mrs. Marland) would confine her particular comments and the representation of her particular interest of her particular constituents to herself and not to any other member.

Mrs. Marland: I would correct the member for Mississauga North. He has actually just stated something that is very interesting because I have not yet, Mr. Offer, stated the opinions of the people that I represent.

The Acting Speaker: Would the member please remember that she should refer to all members by either their riding or their position and not by their name.

Mrs. Marland: I accept that correction, Madam Speaker.

I am not judging what the member for Mississauga North might choose to do in his representation of the people who reside in Mississauga North. I am simply using it as an example that no matter what he chooses to do, no matter what the residents of Mississauga North or indeed the constituents of any Liberal-held riding in this province today think or feel or want to express, or what changes they would like to see in the Meech Lake accord, their elected representatives in the Ontario Legislature today are not going to be permitted a free vote by their Premier.

Pure and simple, when we are dealing with something as important as the constitution of a nation, we had better be sure that this in itself demonstrates democracy, and democracy means that every single constituent and resident in this great province has a right to representation. That right means that they elect a person who can speak for them freely.

1700

I would suggest with respect that when the Premier says he will not allow a free vote of his caucus in this Legislature, he is disenfranchising those people who live in Liberal-held ridings who, perhaps, do not totally support the Meech Lake accord. It simply throttles and restrains the kind of representation I would have hoped every

member in this Legislature would be bound to give on behalf of the people who elect them.

When the Premier says he will not allow a free vote, he also said, and we heard this comment very clearly yesterday in the House—in fact, the member for York South (Mr. B. Rae) in his response yesterday challenged the Premier, who said that if we disagree with the Meech Lake accord, which he has already signed and now wants to ask us what we think about it, he said to the member for York South that if we disagree, it is because we do not understand.

Can you imagine anything more insulting than to say to us as equally elected members of this Legislature that if we do not agree, we do not understand? He even says to his own caucus: “Never mind whether you agree or whether you understand. It does not matter because you are not going to have a free vote.” I hope that is not what the process of government is all about.

It was interesting to hear a few minutes ago the member for Oshawa talk about restoring credibility to the political process in Canada. I would suggest that on this issue alone there will be no credibility to the political process in this House because, first, we have a Premier who will not allow a free vote of his caucus, and second, we are in a situation where we are discussing something that is already completed, already signed. I am only standing here because of my disenchantment with the process and I want to place that on the record.

When we have a Premier who says his government will not accept any amendments, what is it we are doing? Do we not have anything else we can spend our time on? When we have so much harangue and argument and debate and criticism of the free trade agreement, which does not have as many or as great long-range implications for the future of this nation as does the constitutional accord, it does not take very much common sense to do the weighing between the free trade agreement and the Meech Lake accord as to its implications for our future.

One would think the Premier is the only patriot in this whole House. That is where I took personal exception. I took strong personal exception to his suggesting that if we did not agree with him, we did not understand. I think it is one thing to debate; it is another thing to be insulting.

The truth of the matter is that when we look at the greater implications for the future of our nation with this issue than with the subject of free trade, and when we look at the fact that this Meech Lake accord was signed, as I have already

said, in far greater haste, I think we have to be very concerned about the process.

It is funny, when we think about this deal—as the member for Oshawa said, a deal made by 11 men in the middle of the night—it makes me think back to what the Fathers of Confederation did. I am sure the Fathers of Confederation would roll over in their graves were they here today to observe this process. They started to meet on October 10, 1864, about 123 years ago. Their bill and that agreement, on which this great nation was founded, was not passed until three years later, and they went back across this nation to get the feeling and the wishes and the direction from the people they represented.

It is that process that has been completely void in what we are dealing with here in 1987. I feel the process over the past century is now showing us in a regression. As I stand here in the Ontario Legislature today, looking towards the future not only of this province but also of this great nation, may I say that I hope never again will we be asked to comment on something when we know those comments are expressed in complete futility—futility because we have been told it is not going to be possible for one province to amend the Meech Lake accord. We know the 11 people who were signators to that accord agreed that no changes could be made unless all 11 agreed to those changes.

So, although I have appreciated the opportunity to speak today, I recognize that we are all speaking in a vacuum for no purpose other than to express our concerns.

I stand here today expressing my concerns on behalf of the people whom I represent in Mississauga South, some of whom support the Meech Lake accord with reservations and some of whom are completely opposed to it. But it does not matter whether they have reservations, whether they have questions or whether they have support for that accord with some changes; it does not matter because they will not have an opportunity, through my representation, to change anything on their behalf, either as additions or deletions.

What kind of a parliamentary process is that where a Premier, without prior consultation, goes off to, in this case, the location of Meech Lake and agrees to and signs a draft and then agrees a month later to signing the final document? It is not a process that I ever want to see again.

To the constituents of Mississauga South, whose viewpoints I would have liked to have been able to represent, I apologize that we have a

Premier in 1987 in Ontario who does not really believe in the democratic process, not even to the point of permitting the equally elected members of his caucus a free vote on what is essentially and unequivocally the future of this great nation of Canada.

Mr. Mahoney: I do not know if I can do this; I have tears in my eyes from the last speaker.

I must say that I find it really interesting that up until approximately an hour ago I was seriously impressed with the quality of the comments, particularly those coming from the members in the opposition party. Most notably, I think the member for Oshawa made some very good points and salient comments. I thought the member for Algoma (Mr. Wildman) gave one of the finest speeches I have heard in this House. It was sincere, it was well thought out; it was a speech of a very concerned Canadian.

What I have just been subjected to is nothing more than a simple attack on one person, the Premier. I suppose that is clearly the right of members of the third party and the opposition, but I think this issue really transcends those kinds of bitter feelings, which obviously come about as a result of the election results, and I guess they should transcend that difficulty of getting up every morning, looking in the mirror and realizing that the sole purpose of their day is to be negative, that all day long all they have to do is go to work and criticize and not have an opportunity to make constructive suggestions.

1710

An hon. member: Give me a break.

Mr. Mahoney: I will give you a break.

I heard different comments from other members that were well thought out and I personally think the comments of the last speaker were inappropriate to this particular issue, and in fact did not deal with the issue at hand. Is there a difference, I heard the question asked, between free trade and Meech Lake? I will tell members one main difference: Free trade is a deal between Canadians and Americans, and Meech Lake is a deal between Canadians and Canadians. I say that is a pretty major difference and one that should be noted by that member.

Mr. Matrundola: She left.

Mr. Mahoney: Well, that's fine.

I am used to having debates with the honourable member, as we served on the same municipal council for seven years. I respect the member personally, but I think it is unfortunate that a party is relegated to skipping the entire

issue and simply attacking the personalities involved in this House.

One of the things we have to think about is jurisdiction. Many members have spoken in this House and said that we really have no jurisdiction over this particular deal because we are not being allowed to make changes. There have been many debates that have gone on at all levels of government where there has been a big question about jurisdiction.

There is a great Canadian who made comments on this particular deal, a man who was Prime Minister for a tremendous number of years in this country, and he made comments that I think were harmful and did a disservice, in my view, to this country, to the nation-building—

Mr. Laughren: Are you going to attack him?

Mr. Mahoney: I sure am. When somebody is wrong, he is wrong.

“Say goodbye to a dream,” Mr. Trudeau said. I think it is pretty presumptuous to say, “Say goodbye to the Canadian dream.” It might have been his dream, and indeed he started the dream in the constitutional debate leading up to 1982, to that very historic day, but it is presumptuous to say that because there is a new deal in a new time by a new group of Canadians, you have to say goodbye to the dream. I think we all dream. All members of this House dream and all Canadians dream of one Canada, but we understand, too, that we do have a very diverse country.

When we analyse this issue, people speak out specifically on the issue of Quebec and certain minority groups. The member for Algoma spoke at great length on native rights. As I said, I thought he was very sincere and I told him so afterwards. He put the issue forward very well. But he also said—I noticed a statement that would give him an opportunity, and one hopes an opportunity to his colleagues in the official opposition, to support Meech Lake—that he cannot support it unless it allows for future discussions of the rights of first Canadians to self-government. He did not say that it must have, right in that document, a statement that would provide self-government for first Canadians; he said he wanted an ability to discuss it further.

I frankly believe this committee will indeed allow that to happen. I think the issue should be brought up at the committee, and if there are recommendations that come out of that committee which suggest there should be future discussions, then I think they should be put forward. They need not be a final amendment and I doubt the committee will be in a position to recommend

a final amendment, but there can be a statement coming out of that committee, which would be a very important statement from this province and endorsed by this Legislature, that indeed we should be working towards an amendment that would allow for self-government by the native peoples.

I would support that kind of approach. You do not have to throw out the Meech Lake agreement to get it. You do not have to destroy the entire document and the basis of this country and the future of this country to get it. You simply have to work at the committee level with the comments coming from the learned people on both sides.

I do not know exactly who said it but I totally agree with whoever said: “We are no smarter than the other average Canadians out there. We are just here representing them.” That is right and we should be putting those views forth and taking them and bringing them to this Legislature and making recommendations for future discussions. There is no reason why we cannot emplace the constitutional amendment that has been worked on at Meech Lake and make recommendations for change in the future.

The discussion goes on about rubber-stamping this particular accord. I suggest that is equally inappropriate. I do not believe the committee will come in and rubber-stamp it. Some members have said it would be inappropriate to do that. It is equally inappropriate for members on the opposite side to use this issue—many have not but some have—for the sake of playing the political game of just being opposite. This issue is much too important to the future of our children and our country to allow that kind of nonsense to take place. I am pleased that many members, notably the ones I have already mentioned, have gone above and beyond that level of debate.

Many people talk about Quebec and whether Quebec should indeed be a distinct society. I went back and did a little bit of research because I have not heard anyone come out with the actual details of what is being said. They just throw the words “distinct society” around. Let me read the quote:

“The accord states that the Constitution shall be interpreted in a manner consistent with the recognition that ‘French-speaking Canadians, centred in Quebec but also present elsewhere in Canada, and English-speaking Canadians, concentrated outside Quebec but also present in Quebec, constitutes a fundamental characteristic of Canada,’ and moreover, that Quebec constitutes a distinct society within Canada.” It goes on

to say, "The Legislature and the government of Quebec has a responsibility to preserve and promote the distinct identity of Quebec."

Frankly, I find it difficult to understand what all the fuss is about. I think that government clearly does, whether we say it in the Constitution or not, have the responsibility to preserve and promote the distinct society of that province. Quebecers are distinct, as this charter recognizes. The difference is that they are primarily a French-speaking community in a country and on a continent that is primarily English-speaking. They have traditions based on that difference. They have, whether we like it or not, or members opposite like it or not, laws that are based on that difference.

If we understand, not necessarily agree but understand, why would we object to stating it? Opposition to this is to say: "Quebec, you are not distinct. You are not different. You have no right to be different and you must be the same as the rest of us in Canada." In my opinion, that is contrary to the understanding, caring and sensitive philosophy of this country. Trying to place our own values on other people is not something we should do.

I, too, am a Canadian first, but I have no right to force Quebecers to sacrifice their distinctiveness as a province, as a people within this tolerant society. Anyone who tries to do that is playing the politics of fear and possibly, as the member for Algoma stated, playing the politics of racism.

To say that I hold the Premier of this province responsible for changing Canada is nothing more than grandstanding.

Mr. Laughren: Do not get personal now.

Mr. Mahoney: I was not.

Another member said that this agreement is uniquely Canadian, and it is. I find it particularly frustrating and hard to understand why we Canadians often say, whether we are dealing with the free trade agreement or Meech Lake: "Don't get upset. Don't get emotional. We must be pragmatic. We must be calm. We must look at this in a businesslike way." Why should we not get emotional? Why should we not talk about our country in emotional terms? It is our country.

1720

Mr. Laughren: For the moment.

Mr. Mahoney: That is right. For the moment. They are trying to give it away. There are some issues that we can agree on. I am quite sure of that.

One of the things that has bothered me, however, and I see it in both the current issues

that are before this House and before the Parliament of Canada, is that it appears to be the role of opponents and the media, playing to those opponents, to take this particular deal and distort the effects and the issues.

The Meech Lake accord does not infringe on the rights of citizens to express themselves freely. It recognizes the multicultural nature of this province and this country. It respects the rights of Canada's native peoples, and it continues to acknowledge that men and women are equal before the law.

In May 1980, I believe, this very Legislature confirmed its willingness to renew our federation. Ontario declared that Canada had to come to terms with the cultural anxieties of Quebec and pledged itself to the resolution of the differences between the provinces through dialogue, compromise, consensus and fairness. Where is that attitude now, seven years later?

I believe very strongly that the spirit of Canada, the spirit of compromise, understanding and tolerance that has made this country great was indeed preserved at Meech Lake. There must be and should be suggestions for future agenda items and I support many of the comments that have been made in looking at future agenda items. I think they can happen through adopting the resolution the Premier has put on the floor of this House in establishing that committee.

I also believe some of the other issues that are being distorted in this particular debate surround the issue of federal spending power and provincial rights. The accord simply stipulates that the federal government must provide "reasonable compensation," the two words that are used, to any province that opts out of a future national shared-cost program established by the government of Canada that is within, and this is so important, exclusive provincial jurisdiction.

We are not talking about taking over national defence. We are only talking about opting out of programs that come under the purview of this House and this province and receiving the compensation that would go with these particular programs.

On the amending formula, I heard someone earlier today stand up and say, "Why should we accept an amending formula that requires unanimity?" Let us understand that issue too. The general amending formula set out in section 38 of the Constitution Act, 1982, requires, that the consent of Parliament and seven provincial Legislatures representing 50 per cent of the population for most amendments is to be maintained.

I would not want to mislead. It goes on to say that in areas such as proportionate representation in the House of Commons, the Senate, the Supreme Court of Canada, etc., unanimity will be required. But the bluebirds that are trying to shoot this deal down are simply telling us this amending formula is 100 per cent for everything. They tell us half the story instead of explaining the entire story.

As in any other issue, there are emotions that are going to run very high when you are dealing with our country. I have never seen a country that spends more time dealing with itself in an inward, retrospective way. We are constantly talking about our nationhood. We are constantly saying our nationhood is in jeopardy, yet it is not.

I refer you back to another fine speech I heard in this House by the member for Nepean (Mr. Daigeler), when he spoke on the day before Remembrance Day. He told us a little bit of his background and history. He told us his father, I believe, fought for Germany in the war and his grandfather before him. He said he was very pleased and proud and it showed what a great democracy we live in that he indeed could stand here as a representative in this Legislature representing his constituents. I think that was such a profound and true statement that it really goes to the quick of what Canada is. Is this one Canada? I think it is. Can it be improved? There is no doubt in my mind that it can.

The argument here is over the methodology to approve that, the methodology at committee. I for one will look forward to receiving the committee's recommendations and discussing them, but they must not be frivolous. They must not be for the sake of being in opposition. They must be well thought out and they must be significant.

Mr. Laughren: And you will decide that, will you?

Mr. Mahoney: I say to the member opposite, it is part of my job to make that decision and I am quite prepared to do that, just as he would.

Mr. Laughren: You're not condescending at all, are you?

Mr. Mahoney: I do not think that condescending.

I think that, very clearly, the argument is over methodology and how we implement any changes, and there will be ways. If we indeed look at this committee and work on it in a positive way and make any changes and amendments that would come forward to this House—serious, important amendments for the future of this country—Meech Lake can indeed be a very

positive document for our future and our country will continue to be one.

The Deputy Speaker: The member for Nickel Belt.

Mr. Laughren: That is fine for you to say, Mr. Speaker, but the member for Mississauga West (Mr. Mahoney) has not given you permission to allow me to speak yet.

I think the condescending tone of the member for Mississauga West does not bode well for the future deliberations of the committee that is going to be dealing with Meech Lake. I do not think it is up to the member for Mississauga West to determine whether any kinds of suggestions or amendments that are put by the committee are trivial or not. That is not for him to decide.

I do not think it is for the Premier to determine whether or not the motives are well intentioned when members speak in this debate or when they deal with the issue in the committee and I do not think it is up to the Attorney General (Mr. Scott) to make the determination that before we consider any kind of amendment, we have to think very seriously as to whether the accord is really seriously flawed and whether it would be better to leave it alone now and deal with any kind of amendment at some future date. I do not think it is up to the Attorney General to determine on our behalf that if we were to try to tamper with the accord, we would be putting at risk national reconciliation.

Those kinds of comments and attitudes emanating from the government do not sit well with the opposition members in this House because we have a job to do just as the government members do. For the member for Mississauga West to say, "It's my job to determine what is trivial," is absolutely ridiculous. As a matter of fact, the statement itself might even be trivial.

We in this caucus welcome the formation of this select committee on the constitutional accord, although I share a lot of the views that have been expressed by other members that it is a bit much to lay it before us now. To get the very clear message from the Premier and the Attorney General in particular that, "It really shouldn't be tampered with, you know; we are dealing with an attempt at national reconciliation," we find quite offensive.

I should not have to say that I do not think there is a single member in this House who does not want to see Quebec included in the federal Constitution. As a native of Quebec at one time—I was born in Quebec and lived there for some years—I very much want to see Quebec included in our Constitution.

I must say, though, that I do not think that if I object to the provisions in this accord—in particular I am offended by some aspects of it—that has anything to do with my wanting or not wanting Quebec to be in the Constitution. I have an obligation as a Canadian, as an elected member, to make my views known about what I think about this accord. I hope I reflect the views of my constituents in that regard. I do not think we need to accept it in blind faith.

1730

There are a number of things that bother a lot of people about the accord, and I must say I am bothered by them as well: first of all, the issue of individual and minority rights; second, the implications of the clause that recognizes Quebec as a distinct society; third, the requirement for unanimous provincial consent on certain constitutional groups—I do not think it is misleading to say that; fourth, the whole question of federal-provincial spending powers. That one bothers me a great deal.

On the question of individual and minority rights, the people who are concerned about it feel very strongly that the individual rights presently protected under the Charter of Rights and Freedoms could be diminished as a result of the increased provincial powers, which I think are there, and the increased collective rights of Quebec's so-called distinctive society. And it is a distinctive society—

Interjection.

Mr. Laughren: I think that is clear. I do not want to demean the province, but when a province with a population about the size of Sudbury can veto certain constitutional changes, I think—

Mr. Polsinelli: Which changes?

Mr. Laughren: Let me get to it.

The charter has not been entrenched by this accord at all. I think that is what is bothering so many people: Some things are entrenched and others are not, and the items that are not entrenched will be therefore called into question in terms of priorities under the law, and that bothers a lot of us. Women, for example, are very concerned. Keeping in mind that women have fought for decades for the gains that they have achieved in terms of equality, it certainly is understandable that they would be concerned that their rights would or could be diminished by this accord. Certainly that must be dealt with.

I do not understand for a moment why some things were left out of this constitutional accord. Did they run out of paper? I do not think so.

Perhaps it was because the people who wrote the accord, the ones who were locked up in that room, were not constitutional experts. I fear that they overlooked a lot of things and that afterwards it became very difficult to change it, as we all know.

My colleague the member for Algoma (Mr. Wildman) spoke passionately about the whole question of aboriginal rights. The aboriginal people were denied any kind of role in the negotiation of this accord. Surely that is offensive, and when the aboriginal people tell me they are indeed themselves a distinct society, how do I argue with them? How does anyone disagree with that? Yet they were not a part of the negotiations whatsoever. Not only that, if the aboriginal people were to achieve self-government, guess who can veto that happening? The province. A province could veto that, and I can see why they are very concerned.

I think that is inappropriate. The people who will be most affected by such a move will not have any say in it. Of course, that is true for the potential achievement of the Northwest Territories or the Yukon becoming a province. The very people who will be most affected will not have any say. To be fair, they are not saying they are anxious at the moment to become provinces, but surely that is not the point. If they were to become anxious and wanted to do this in the future, that can be vetoed by any province. So I think there are a lot of things that bother us about the unanimity aspect of this accord.

Each province gets a veto over constitutional changes, not only just with new provinces or the extension of provinces into the territories, for example, but changes to the Senate.

I know what I would like to do with the Senate. I would like to abolish the Senate. That is what I would like to do. I cannot think of any useful role it fulfils. It is appointed rather than elected and is in contradiction to all our democratic principles. The members know it is a contradiction of democracy. Can the members imagine, if we were trying to set up a Senate today, the outrage that would be expressed across the country, the outrage that would be expressed by members of this assembly if we were trying to appoint an upper House? "Upper," yet. Members would be very unhappy about it.

Interjections.

Mr. Laughren: Anyway, the member did ask what I wanted to do with the Senate. That is what I would like to do with the Senate. I would like to put it out of its misery.

Of course, any province can have a veto over changes to the Senate or any changes to the Supreme Court of Canada. I mentioned the extension of provinces into the territories, or the Northwest Territories or the Yukon becoming provinces. Those are things that bother me a great deal, that any one province, for whatever reason, whatever the politics of the day, can veto those kinds of changes. I think that is fundamentally wrong. That is why I hope very much that when the committee begins its deliberations it has an open mind on recommending some changes to the accord.

I do not understand why so many things are excluded from the accord. I think of the Northwest Territories and the Yukon, for example, having no say in those federal institutions. Presumably, they do not all want to abolish the Senate as I do. If that is the case, why do they not have any say at all in the discussion of who goes on the list to be appointed to the Senate or to the Supreme Court?

When I think of what the American system goes through to appoint its members on its highest court, compared to the way we do it here, it is truly remarkable.

The question of federal and provincial spending power bothers me a great deal as well, and I am not convinced by the arguments of the member for Mississauga West (Mr. Mahoney) or others who have claimed it is not a problem that the provinces will have to set up programs that are "compatible" with national goals. First, "compatible" is not defined anywhere in the accord, and I doubt very much that we can have substantial national programs in the future with that proviso in the accord.

For example, I would like very much to see a national program on sickness and accident to replace the present patchwork out there for people who get hurt or sick, particularly if it is not on the job. I cannot imagine being able to put together a substantial national program when this accord becomes the new Constitution.

I think what we will end up with is the lowest common denominator across Canada. I cannot imagine British Columbia with its present government or Alberta with its present government coming to an agreement that would be what I would call compatible with national goals. I simply do not think it will happen because of objections from those provinces. So I am pessimistic we will not see the kind of national programs most of us are proud of now: I refer to medicare, to the Canada pension plan, the old age pension.

But who is to say that is where it should all stop? As a society, we have a right to move forward with social programs. A lot of us are bothered about that. Admittedly, there are some politicians who want to see a more substantial change not just in the way social programs are delivered but in the kinds of social programs we have in Canada. I appreciate the fact that the Tories, for example, are not as enthusiastic or impassioned as I am about the delivery of certain social services. That is fine, but it bothers me a great deal that with this accord we are not going to get new programs.

1740

Why do members think the National Action Committee on the Status of Women is so concerned about this accord? The Canadian Day Care Advocacy Coalition is very worried about this accord as well. I think there are legitimate concerns that should be taken as such and not be regarded as somehow an attempt to scuttle reconciliation in our nation. That is what I find so very offensive. Those of us who do not like a lot of what is in the accord do not like it because our vision of Canada is perhaps a little different from someone else's vision of Canada. So what? It does not make it any less legitimate.

That is why many of us are truly offended when we hear the Attorney General (Mr. Scott) say, "Before members consider any kind of amendment or change to the accord, they must ask themselves three questions: One, is the flaw really serious? Two, does it have to be corrected now? Why not at some later date? Three, would such an amendment or change be worth putting at risk national reconciliation?"

Hon. Mrs. Smith: Good question. That last one is a great question.

Mr. Laughren: It is a good question but it is terribly presumptuous and condescending. I will not use the word "arrogant." It is the kind of tactic that says to people who have legitimate concerns, "You know, if you really express those concerns and you fight for them, you had better be careful because what you are going to do is going to be very dangerous and you could be held responsible for scuttling national reconciliation." My goodness, what a fragile balance they have developed out there.

I guess because they did it the way they did, it ended up being fragile. Perhaps it did not need to be so fragile if they had done it in a proper way, with proper consultation, rather than consultation after the fact when everyone is bludgeoned into accepting what those 10 or 11 people locked up in a room have achieved with their infinite

wisdom. They were probably all hungry and wanted to get out.

Hon. Mrs. Smith: Those are our premiers you are referring to, not just people.

Mr. Laughren: Yes, they are just very ordinary people. I have not seen a Premier yet who walks on water. I do not hold any of those 11 people in awe and I do not think any of us in this chamber should. The people out there do not hold them in awe either. They are ordinary people who got elected, in most cases, by the electorate and then by their own parties. This does not make any one of them some kind of god.

Mr. Callahan: That may be read back to you some day.

Mr. Laughren: I do not think it will be read back to me.

Mr. Callahan: The way things are, you never know. If it was said by Sterling, it would be read right back to him.

Mr. Laughren: Yes, that is right, but I do not even head up a flying wedge the way the member for Carleton (Mr. Sterling) does.

I and I think all of us do not see the Meech Lake accord as a fait accompli and we do not believe it is too late to make amendments to it. We do not believe it is acceptable to enough Canadians in its present form and we want to emphasize at the same time the importance of including Quebec as a full partner in Confederation.

I just hope the Ontario government does not regard this committee as some kind of symbolic gesture, something it felt it had to do, perhaps because of its overwhelming majority in this assembly, because worse than not even having the committee would be to treat the committee as something trivial and not take its recommendations seriously and not listen, not just to members of this assembly but to people all across Ontario as they express what I think are very legitimate concerns about the Meech Lake accord.

Mr. J. M. Johnson: I too would like to join in this debate. I would like, first of all, to congratulate the member for Nickel Belt (Mr. Laughren) for saying many things that needed to be said after the comments of the member for Mississauga West.

I feel somewhat put out by the fact that certain people in this House feel they have a God-given right to speak on behalf of the people of this province and other members in the same House do not have that same right. That is offensive.

I very strongly support the government's intentions to set up a select committee. I think it

is an excellent idea, and as the member for Nickel Belt made reference to, it had better be a meaningful role that the committee plays or we will be extremely disappointed in this government.

I wonder if it really will mean that much, though, because the Meech Lake accord was originally drafted on the weekend of April 25, and the final draft was presented to the premiers on June 2. In the months between the first and final drafts, many groups identified serious concerns with the first accord, yet the final draft did not reflect any of those concerns.

What does that mean now when this committee that will be set up drafts proposals that include some changes? Will those proposals too be rejected? I am really concerned that maybe we will not have a meaningful role to play except to go through the motions.

Immediately after signing the final accord, the Premier referred to it as an evolving thing and said he believed small changes might be possible. What, indeed, are small changes? Are they the distinct society, immigration policies, the decline in federal powers, the amending formula? Are those small changes? In my opinion, there are many things that have to be looked at, and hopefully more than small changes will be given consideration.

During the election campaign the Premier said, "The accord could be changed and amended after public hearings in Ontario." By this time the Quebec assembly had concluded its public hearings and passed the accord.

Premier Bourassa called upon the other provinces to sign it without making any changes, reserving any amendments for later. What does "reserving any amendments for later" mean? How will the changes come about?

The Constitution Act of 1982 created a very rigid Constitution that, as we all know, is extremely difficult to amend. According to the Honourable Eugene Forsey, the accord will make it still more rigid, make many of its most important provisions totally unchangeable except by unanimous consent of the provincial Legislatures, which may not truly represent in these matters the people of the respective provinces. Is that what we really want? I do not think it is.

To highlight Eugene Forsey's concerns, I would like to use as an example the province of Prince Edward Island. Prince Edward Island has a population of 128,200 people. In the last election on April 21, 1986, 76,101 people voted. Of those votes cast, 37,474 went to the Liberal

Party. Therefore, the Premier of Prince Edward Island, elected by less than 38,000 people, has a veto over 25.5 million Canadians. Is that what we really want? I think not. I use Prince Edward Island as an example only because of the dramatic distortion in power versus population.

1750

Perhaps I am wrong—I hope I am—but I understand that as recently as last June, Premier Bourassa of Quebec said the Liberal Party of Quebec remains committed to its 1980 resolution which affirmed Quebec's right to determine freely its own internal constitution and to express freely its will to maintain the Canadian federal union or to do away with it. Is that what we really want? Is that what we have achieved in the Meech Lake accord? Has this accord weakened the fabric of our nation?

To remain a strong and unified nation, Canada must have a strong central government. We must ensure this central government speaks with authority on behalf of all the people of Canada. In order to do this, we must guard against and balance a tendency for each province to do its own thing, disregarding the interests of the other nine and of the nation as a whole. The voice of the government in Ottawa must be the voice of the people of Canada, and it is imperative that we recognize the danger of fragmenting our country by increasing the power of the provinces and thereby undermining the strength of our central government.

I am concerned that this accord, which recognizes Quebec as a distinct society, will create the impression that there are two Canadas. If that is the case, then this accord will not benefit our country. Perhaps I am mistaken in this view, but sometimes perception becomes as important as reality. I hope the committee hearings will help to clear up some of these perceptions.

I would like to re-emphasize my concern about the veto power given to each province, if for no other reason than the impossible position in which it places the Yukon and the Northwest Territories. I had the opportunity to travel fairly extensively in the Northwest Territories for the parliamentary conference four or five years ago, and I know the aspirations of the people in that territory are certainly for provincial status at some point in time. I truly do not know how that will come about if we allow each province to have the opportunity to exercise a veto to allow that to happen.

Many of my party colleagues have already alluded to many of the concerns I would like to express, so I will not take up too much more of

the time of this House today except to say that I do hope the hearings at the committee level are meaningful. The hearings must include many very important issues in the accord, such as the concerns of our native people, the ethnic communities and women's groups, the amending formula, immigration policies, the decline in federal powers, the "distinct society" clause and others which are sure to surface if the committee hearings are going to be of any value to our province and our country.

I intend to support government resolution 5, a resolution standing in the name of the Premier. I trust the Premier will give us his commitment to respect the report that will be prepared by this committee and to take appropriate action based on that report.

Mr. Callahan: I am not sure this historic debate is going to continue beyond tonight. If that is the case, for a person such as myself, seven minutes will never do.

I would like to put this all in proper perspective. There are not too many people in this Legislature who recognize that I came here as an immigrant from the United States. I chose Canada. It used to blow my mind to realize that a country that had been around for as many years as Canada has been, and that was able to join in a celebration at Expo and experience the joy and the love of two founding nations and the respect and pride that generated from that, could get itself hung up on what I see, as an outsider and a newcomer of 20 years to this country, as an important issue where they can fight with one another as neighbours.

I think in many respects the constitutional agreement—the Meech Lake accord, as it is called—is somewhat analogous to Bill 30 in that there had to be a major person who entered the fray; i.e., in Bill 30 the Most Reverend Archbishop Garnsworthy, and in the case of Meech Lake a man whom my wife still adores, Prime Minister Trudeau. I think in these days many of us reflect back on the lack of a helmsman at the tiller of government in Ottawa and wish that Trudeau was back to replace the free-wheeling—I should not do this, because I think it is contrary to the rules to speak ill of the Prime Minister of Canada, so I will not do that. But I will say that with the hand at the tiller these days, people would probably, in a plebiscite or in an election, bring back Prime Minister Trudeau.

Trudeau had such an impact on this entire process that to a large extent the discussion around it has been looked upon not so much in terms of understanding what Meech Lake did but

in terms of saying, "If Trudeau's against it, we're against it." I think that is a recognition of the fact that there are still people out there who consider Trudeau to be a man who took us through a period of crisis in this country, the period of the uprising by the Front de libération du Québec.

Can the people over there pay attention, please?

Let me put this to them. As tragic as the FLQ crisis was—and we never want to see it repeated in this country—would you go to bed feeling comfortable tonight under the present circumstances rather than the man who was at the helm at the time that was being dealt with? I do not raise that to demean the present occupant of Sussex Drive; I simply do it to say that you have to look at the Meech Lake accord in terms of the man who was speaking against it and the fact that everyone said, "If Trudeau says it's wrong, it's wrong."

With the possibility that I might get my wife's ire up—because, as I said, she is a great Trudeau fan still to this day; and I have great admiration for the man as well—I am not sure that everything he espouses today is cast in stone and that we should necessarily just say, simply because the former Prime Minister said it, we are going to accept it. I think we are charged with the responsibility, as members of this Legislature, to address every piece of legislation in terms of what we think of it, and not what somebody else thinks of it; I think we had the courage and the wisdom to do that with Bill 30.

Let us just go through the Meech Lake accord. Let us ask, what does the Meech Lake accord do or not do for Canada?

As I said in my opening, I think what it does do in fact is it brings the family together. Things like the possibility of the separation of Quebec from Canada, which was beaten off by such stalwarts as Trudeau, Chrétien and so on, might very well not have happened if Quebec felt it a truism that it is a distinct member of our society. They are in fact one of the founding peoples of our country.

During the last election, I think Mr. Grossman found out it does not work in this country when you say, "Never will Ontario be bilingual." What in fact Mr. Grossman was saying was, "I do not recognize that Quebec is part of Canada." Interestingly enough, I have a very highly multicultural community in my riding, and I had people who were working with me turn the

question around and say, "If Mr. Grossman is prepared to say that one of the founding peoples of this country will never be given fair rights in Ontario, then what does he think of us, who have come here newly from a whole host of countries?"

People here say that this is being forced through, that we are not having an opportunity to debate it. I can forgive the member for Nickel Belt (Mr. Laughren) because he is a—

Interjection.

Mr. Callahan: Yes. I really find it interesting that this is such an important debate to the members of the opposition that while it is going on and another member is speaking, they are over there laughing. Is that really what they think of the Meech Lake accord? Is that what they think of their federal leader, who in fact supports it? Is that what the third party thinks?

On motion by Mr. Callahan, the debate was adjourned.

BUSINESS OF THE HOUSE

Hon. Mr. Conway: I would like, as is the custom, to advise the House of the business scheduled for next week.

On Monday, November 30, we will continue the debate on the motion to establish the select committee on constitutional reform, followed by the interim supply motion, a motion which I want to recommend to the attention of the House since, of course, the government will require that supply on Monday if we are to pay our bills, effective December 1, 1987. The interim supply motion debate will be followed by a debate on the Ontario Loan Act.

On Tuesday, December 1; Wednesday, December 2, and Thursday, December 3, in the afternoon, we will consider legislation in the following order, as time permits: if not completed on Monday, Bill 11, the Ontario Loan Act; Bill 1, the Members' Conflict of Interest Act; Bill 2, the Ontario Automobile Insurance Board act.

On Thursday morning, for the member for Carleton (Mr. Sterling), we will consider private members' ballot items standing in the names of the member for Simcoe East (Mr. McLean) and the member for Cornwall (Mr. Cleary).

The House adjourned at 6:04 p.m.

ALPHABETICAL LIST OF MEMBERS*
(130 seats)

First Session, 34th Parliament

Lieutenant Governor: Hon. Lincoln M. Alexander, PC, QC

-
- | | |
|---|--|
| <p>Adams, Peter (Peterborough L)
 Allen, Richard (Hamilton West NDP)
 Ballinger, William G. (Durham-York L)
 Beer, Charles (York North L)
 Black, Kenneth H. (Muskoka-Georgian Bay L)
 Bossy, Maurice L. (Chatham-Kent L)
 Bradley, Hon. James J., Minister of the Environment (St. Catharines L)
 Brandt, Andrew S. (Sarnia PC)
 Breaugh, Michael J. (Oshawa NDP)
 Brown, Michael A. (Algoma-Manitoulin L)
 Bryden, Marion (Beaches-Woodbine NDP)
 Callahan, Robert V. (Brampton South L)
 Campbell, Sterling (Sudbury L)
 Caplan, Hon. Elinor, Minister of Health (Oriole L)
 Carrothers, Douglas A. (Oakville South L)
 Charlton, Brian A. (Hamilton Mountain NDP)
 Chiarelli, Robert (Ottawa West L)
 Cleary, John C. (Cornwall L)
 Collins, Shirley (Wentworth East L)
 Conway, Hon. Sean G., Minister of Mines (Renfrew North L)
 Cooke, David R. (Kitchener L)
 Cooke, David S. (Windsor-Riverside NDP)
 Cordiano, Joseph (Lawrence L)
 Cousens, W. Donald (Markham PC)
 Cureatz, Sam L. (Durham East PC)
 Curling, Hon. Alvin, Minister of Skills Development (Scarborough North L)
 Daigeler, Hans (Nepean L)
 Dietsch, Michael M. (St. Catharines-Brock L)
 Eakins, Hon. John F., Minister of Municipal Affairs (Victoria-Haliburton L)
 Edighoffer, Hon. Hugh A., Speaker (Perth L)
 Elliot, R. Walter (Halton North L)
 Elston, Hon. Murray J., Chairman of the Management Board of Cabinet (Bruce L)
 Epp, Herbert A. (Waterloo North L)
 Eves, Ernie L. (Parry Sound PC)
 Farnan, Michael (Cambridge NDP)
 Faubert, Frank (Scarborough-Ellesmere L)
 Fawcett, Joan M. (Northumberland L)
 Ferraro, Rick E. (Guelph L)
 Fleet, David (High Park-Swansea L)
 Fontaine, Hon. René, Minister of Northern Development (Cochrane North L)</p> | <p>Fulton, Hon. Ed, Minister of Transportation (Scarborough East L)
 Furlong, Allan W. (Durham Centre L)
 Grandmaître, Hon. Bernard C., Minister of Revenue (Ottawa East L)
 Grier, Ruth A. (Etobicoke-Lakeshore NDP)
 Haggerty, Ray (Niagara South L)
 Hampton, Howard (Rainy River NDP)
 Harris, Michael D. (Nipissing PC)
 Hart, Christine E. (York East L)
 Henderson, D. James (Etobicoke-Humber L)
 Hošek, Hon. Chaviva, Minister of Housing (Oakwood L)
 Jackson, Cameron (Burlington South PC)
 Johnson, Jack (Wellington PC)
 Johnston, Richard F. (Scarborough West NDP)
 Kanter, Ron (St. Andrew-St. Patrick L)
 Kerrio, Hon. Vincent G., Minister of Natural Resources (Niagara Falls L)
 Keyes, Kenneth A. (Kingston and The Islands L)
 Kozyra, Taras B. (Port Arthur L)
 Kwinter, Hon. Monte, Minister of Industry, Trade and Technology (Wilson Heights L)
 Laughren, Floyd (Nickel Belt NDP)
 LeBourdais, Linda (Etobicoke West L)
 Leone, Laureano (Downsview L)
 Lipsett, Ron (Grey L)
 Lupusella, Tony (Dovercourt L)
 MacDonald, Keith (Prince Edward-Lennox L)
 Mackenzie, Bob (Hamilton East NDP)
 Mahoney, Steven W. (Mississauga West L)
 Mancini, Hon. Remo, Minister without Portfolio (Essex South L)
 Marland, Margaret (Mississauga South PC)
 Martel, Shelley (Sudbury East NDP)
 Matrundola, Gino (Willowdale L)
 McCague, George R. (Simcoe West PC)
 McClelland, Carman (Brampton North L)
 McGuigan, James F. (Essex-Kent L)
 McGuinty, Dalton J. (Ottawa South L)
 McLean, Allan K. (Simcoe East PC)
 McLeod, Hon. Lyn, Minister of Colleges and Universities (Fort William L)
 Miclash, Frank (Kenora L)
 Miller, Gordon I. (Norfolk L)
 Morin, Gilles E. (Carleton East L)
 Morin-Strom, Karl E. (Sault Ste. Marie NDP)</p> |
|---|--|

Munro, Hon. Lily O., Minister of Culture and Communications (Hamilton Centre L)
 Neumann, David E. (Brantford L)
 Nicholas, Cindy (Scarborough Centre L)
 Nixon, J. Bradford (York Mills L)
Nixon, Hon. Robert F., Deputy Premier, Treasurer of Ontario and Minister of Economics and Minister of Financial Institutions (Brant-Haldimand L)
 Offer, Steven (Mississauga North L)
O'Neil, Hon. Hugh P., Minister of Tourism and Recreation (Quinte L)
 O'Neill, Yvonne (Ottawa-Rideau L)
 Owen, Bruce (Simcoe Centre L)
Patten, Hon. Richard, Minister of Government Services (Ottawa Centre L)
 Pelissero, Harry E. (Lincoln L)
Peterson, Hon. David R., Premier and President of the Council and Minister of Intergovernmental Affairs (London Centre L)
 Philip, Ed (Etobicoke-Rexdale NDP)
Phillips, Hon. Gerry, Minister of Citizenship (Scarborough-Agincourt L)
 Poirier, Jean, Deputy Speaker and Chairman of the Committees of the Whole House (Prescott and Russell L)
 Pollock, Jim (Hastings-Peterborough PC)
 Polsinelli, Claudio (Yorkview L)
 Poole, Dianne (Eglinton L)
 Pope, Alan W. (Cochrane South PC)
 Pouliot, Gilles (Lake Nipigon NDP)
 Rae, Bob (York South NDP)
Ramsay, Hon. David, Minister of Correctional Services (Timiskaming L)
 Ray, Michael C. (Windsor-Walkerville L)
 Reville, David (Riverdale NDP)
 Reyecraft, Douglas R. (Middlesex L)
Riddell, Hon. Jack, Minister of Agriculture and Food (Huron L)
 Roberts, Marietta L. D., Deputy Chairman of the Committees of the Whole House (Elgin L)

Runciman, Robert W. (Leeds-Grenville PC)
 Ruprecht, Tony (Parkdale L)
Scott, Hon. Ian G., Attorney General (St. George-St. David L)
 Smith, David W. (Lambton L)
Smith, Hon. E. Joan, Solicitor General (London South L)
 Sola, John (Mississauga East L)
Sorbara, Hon. Gregory S., Minister of Labour (York Centre L)
 South, Larry (Frontenac-Addington L)
 Sterling, Norman W. (Carleton PC)
 Stoner, Norah (Durham West L)
 Sullivan, Barbara (Halton Centre L)
 Swart, Mel (Welland-Thorold NDP)
Sweeney, Hon. John, Minister of Community and Social Services (Kitchener-Wilmot L)
 Tatham, Charlie (Oxford L)
 Van Horne, Ronald G. (London North L)
 Velshi, Murad (Don Mills L)
 Villeneuve, Noble (Stormont, Dundas and Glengarry PC)
Ward, Hon. Christopher C., Minister of Education (Wentworth North L)
 Wildman, Bud (Algoma NDP)
Wilson, Hon. Mavis, Minister without Portfolio (Dufferin-Peel L)
 Wiseman, Douglas J. (Lanark-Renfrew PC)
Wong, Hon. Robert C., Minister of Energy (Fort York L)
Wrye, Hon. William, Minister of Consumer and Commercial Relations (Windsor-Sandwich L)

*The alphabetical list of members appears in each issue. Lists of the members of the executive council, parliamentary assistants and members of committees, brought up to date as necessary, are published in Hansard in the first and last issues of each session and on the first sitting day of each month.

CONTENTS

Thursday, November 26, 1987

Private members' public business

Fire departments , resolution 3, Mr. Faubert, Mr. Reville, Mr. Cureatz, Mr. Kanter, Mr. Charlton, negatived.....	583
Trade with United States , resolution 5, Mr. Morin-Strom, Mr. Pollock, Mr. Ferraro, Mr. B. Rae, Mr. Sterling, Mr. D. R. Cooke, negatived	595

Members' statements

Queen Elizabeth Way , Mr. Mackenzie.....	604
Hospital funding , Mr. McLean	604
Yuli Edelstein , Mr. Offer, Mr. Allen, Mr. Sterling	604
Rental accommodation , Mr. Owen.....	605
Automobile insurance , Mr. Swart.....	605

Statements by the ministry

Occupational health and safety , Hon. Mr. Sorbara.....	606
Transfer payments , Hon. Mr. Ward.....	606
Research and development , Hon. Mr. Kwinter.....	607

Responses

Occupational health and safety , Mr. Mackenzie.....	607
Transfer payments , Mr. R. F. Johnston	607
Research and development , Mr. Morin-Strom, Mr. Sterling	608
Transfer payments , Mr. Jackson.....	608

Oral questions

Workers' compensation , Mr. B. Rae, Hon. Mr. Sorbara	609
Transfer payments , Mr. R. F. Johnston, Hon. Mr. Ward, Mr. Jackson	610
Retail store hours , Mr. Cureatz, Hon. Mrs. Smith	612
Facility for young offenders , Mr. Swart, Hon. Mr. Ramsay	612
Rent regulation , Mr. Cousens, Hon. Ms. Hošek	613
Cancer treatment , Miss Martel, Mr. Laughren, Hon. Mrs. Caplan	613
Social assistance , Mr. Allen, Hon. Mr. Sweeney	614
Gasoline prices , Mr. McLean, Hon. R. F. Nixon.....	615
Lot levies , Mr. Mahoney, Hon. Mr. Eakins	615
Vocational rehabilitation , Mr. Laughren, Hon. Mr. Sorbara, Miss Martel	616
Noise barrier , Mrs. Marland, Hon. Mr. Fulton	616
Natural gas pricing , Mr. Daigeler, Hon. Mr. Wong	617
Ontario Hydro , Mr. Charlton, Hon. Mr. Wong.....	617
Correctional institutions , Mr. Sterling, Hon. Mr. Ramsay.....	618
Drinking and driving , Mr. Callahan, Hon. Mr. Ramsay.....	619
Student housing , Mr. Breagh, Hon. Ms. Hošek, Mr. Jackson, Hon. Mr. Eakins	619

First reading

Good Samaritan Act , Bill 49, Mr. Haggerty, agreed to	620
--	-----

Government motion

Select committee on constitutional reform, resolution 5, Hon. Mr. Peterson, Mr. Allen,
Mr. Cousens, Mr. Breaugh, Mrs. Marland, Mr. Mahoney, Mr. Laughren, Mr. J. M.
Johnson, Mr. Callahan, adjourned 620

Other business

Recess 603

Visitor, Mr. Speaker 610

Business of the House, Hon. Mr. Conway 647

Adjournment 647

Alphabetical list of members 648



Hansard

Official Report of Debates

Legislative Assembly of Ontario



First Session, 34th Parliament
Monday, November 30, 1987

Speaker: Honourable Hugh A. Edighoffer
Clerk of the House: Claude L. DesRosiers

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of members of the Legislative Assembly of Ontario.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$16.00 per session, from: Sessional Subscription Service, Information Services Branch, Ministry of Government Services, 5th Floor, 880 Bay Street, Toronto, M7A 1N8. Phone (416) 965-2238.

LEGISLATIVE ASSEMBLY OF ONTARIO

Monday, November 30, 1987

The House met at 1:30 p.m.

Prayers.

MEMBERS' STATEMENTS

SOCIAL ASSISTANCE

Mr. Allen: A constituent of mine, Mrs. Kenny, has a new-born baby that needs to be on oxygen and a heart monitor and to have 24-hour attention for two months.

Problem 1: how to get the other young child back and forth to junior kindergarten. The board of education offered neither help nor advice. The child had to be disabled, according to the board, to get assistance. Mrs. Kenny's night nurse's mother's boyfriend, who is a Mason, secured transportation via his Masonic lodge. Full points for relatives, friends and Masons; no points for the board.

Problem 2: how to pay for the oxygen and the heart monitor. The Ministry of Health was prepared to absorb three quarters of the \$1,200 cost. Mrs. Kenny had difficulty financing the balance. Would the ministry not cover the remaining \$300? No, said the ministry, but they could keep the baby in hospital for the two months. The cost: \$400 per day, for a total of \$24,000. Finally, the supplier, Medigas Ltd., offered to absorb the \$300 cost. Full points for Medigas and a big rhubarb for the Ministry of Health and its costly inflexibility.

But the question for all of us surely is, why must people in Mrs. Kenny's situation have to fall back on catch-as-catch-can charity by voluntary groups and businesses?

DOUGLAS DOWNEY

Mr. Pollock: I would like to ask all members of this House to join me in paying tribute to Douglas Derwood Downey. Doug Downey was one of eastern Ontario's native sons. Born in Huntingdon township and educated at White Lake Public School and Madoc High School, he worked at several jobs but eventually purchased a fuel oil business in Kingston. He was best known for the contribution he made to the Agricultural Societies of Ontario.

Doug Downey served as president of the Kingston Fair Board. He was also a director of district 3 for several years and, in 1981, served as

president of the Agricultural Societies of Ontario. It was at one of these district meetings on Thursday, November 26, after making comments from the podium, that Doug Downey suffered a fatal heart attack.

I am sure all members of this House will join me in extending our deepest sympathy to his wife, Vivian, and their seven children. May he rest in peace.

FEDERAL-PROVINCIAL RELATIONS

Mr. Tatham: This statement comes from the Globe:

"As citizens of the province of Ontario, we are called upon to frame our own policy with reference to our provincial rights and interests and to conduct our own affairs, and we deprecate, nay more, we protest most strongly against any interference. We equally protest against the proposition that the provincial government ought to interfere as a government with the affairs of Canada or any of the other provinces.

"Occasions may arise, as occasions have arisen, in which the rights of the province have been infringed. Upon such occasions, of course, it becomes the duty of the province to act as it did, upon my motion, with assent of gentlemen opposite, in order to prevent the infringement of provincial interest, of which we believed ourselves to be the guardians."

The date was December 23, 1871, the report of proceedings in the Ontario Legislature on December 22. The speaker was Premier Edward Blake.

In other words, the Premier of the day suggested that, while desiring friendly relations with the government of Canada, Ontario would not be subservient to Ottawa nor permit any interference with what it considered its own particular interests.

AUTOMOBILE INSURANCE

Mr. Swart: It is sure a weird and amazing insurance system this government defends in this province and continues to defend. Even more weird and amazing have been the pronouncements coming from the government in contra-

dicting itself about the value of a rate review board and whether caps are in effect.

The minister responsible to the insurance industry has been convinced by that industry that they are voluntarily complying with yet-to-pass legislation requiring the capping of rates, roll-backs and refunds. In fact, the minister said publicly he was not putting capping in the new bill because insurance companies had complied voluntarily and it was not necessary.

The people of Ontario know better and, what is more, they do not trust the insurance industry any more now than they did before the current minister became their apologist.

A young man from the greater Toronto area just called my office, saying he had not received his 10 per cent refund for males under 25, although many of his friends had. His premium is \$1,137 every six months with no collision coverage. He called his insurance company, Progressive Insurance—what a name—and was told the law had not passed and until it does they do not have to give him a cent. He did not want his name used, although I have it, because he is concerned that his insurance may be dropped if he complains publicly.

The insurance company is, of course, correct. They do not have to refund the young man any portion of the usurious premiums they have extracted from him. However, it is less than honest when both the industry and the government tell young men there is compliance with a capping bill that was not passed.

TOURISM INDUSTRY

Mr. McLean: My statement is for the Minister of Tourism and Recreation (Mr. O'Neil). According to a recent newspaper story in the Collingwood Enterprise Bulletin, the Georgian Triangle region is facing a serious labour shortage in the tourism and hospitality industries. I am certain other areas of this province are facing the same problem.

The executive director of the Georgian Triangle Tourist Association and Convention Bureau says the shortage of people who work in the tourist and hospitality industries will reach crisis proportion this winter unless solutions are found. The association says innovative programs are needed from the Ministry of Tourism and Recreation now; otherwise, we could very well see a drastic decline in the number of visitors in Ontario.

Why does the minister not consider innovative programs, establishing a busing program that would bring workers into areas with a labour

shortage from areas facing high unemployment rates? Why not establish programs that increase the awareness of desirable jobs in the tourist and hospitality industries? Why not create a four-semester education system that would create a pool of youthful workers? Why not establish tourist- and hospitality-oriented courses at the secondary school level?

These are only a few of the innovative programs the Ministry of Tourism and Recreation could develop to end the labour shortage in the tourism and hospitality industries. It is apparent there is no ready pool of labour to supply these hotels. I say to the minister we want to keep our 30 per cent and he must take immediate action.

1340

CHIEF DOUGLAS BURROWS

Mr. Callahan: It gives me great delight, on behalf of myself and all other members in this House from the Peel region, to say a few words with reference to our retiring chief of police, who is present in the gallery, Douglas Burrows, along with his wife, Roberta, and his son Jonathan.

The chief has been chief of the 1,103-member Peel Regional Police Force since its inception on January 1, 1974. He has spent 32 years, including four years with the Ontario Provincial Police and 28 years as a police officer in Peel. He spent five years with the naval air service, serving in Korea.

The chief has extensive background in criminal investigation and has received a number of awards, including the Queen's Jubilee Medal, for service to the community; an award from the Canadian Bankers' Association for bravery; a 30-year, long-service medal; the Ontario Medal for Police Bravery, and a civic group award for outstanding service to the community.

On behalf of all the members of my region, I congratulate the chief for service well done on behalf of the community and wish him well in his future retirement.

I would also note that, although his son Jonathan is the only one in the gallery, he also has a daughter, Gentry, who is a policewoman—she is not here today due to ill health—and two other children, Shelley and Matthew, who are out west.

WORKERS' COMPENSATION BOARD

Mr. R. F. Johnston: I am pleased to see that the Minister of Labour (Mr. Sorbara) is here today. I am sure he would be outraged if he knew that a group of workers in Ontario, by a foul hand

of management, had lost a week's pay in this coming year, and I know he would want to look into that kind of concern.

I would like to bring to his attention a memo from the Workers' Compensation Board to all its management staff which tells them that it has moved to a bi-weekly basis for their pay rather than a weekly basis and that they are all basically going to lose a week's pay this year.

It is ironic. Not only has this been dictated to them, but also they are being told that it will be done by direct deposit and there is no choice involved. Of course, there is a union involved as well there. They have the right to negotiate and to try to stop this kind of high-handed management practice, but what does the management of the board do?

Perhaps the Minister of Labour will look into their complaints.

Mr. Speaker: It appears that completes members' statements. There are just five seconds left.

Mrs. Marland: Mr. Speaker, if I may for five seconds?

Mr. Speaker: Well, those five seconds have elapsed. It might be more interesting to the House if you had your full 90 seconds tomorrow.

STATEMENT BY THE MINISTRY

POLLUTION CONTROL

Hon. Mr. Bradley: Today I am tabling in the Legislature proposals for a fundamental reform of Ontario's air pollution control law. The air in Ontario is a precious resource which must be protected from the thousands of polluters spewing contaminants into the atmosphere.

The green paper I am releasing today, and the comments of interested parties and the general public over the next few months, will help us rewrite the existing air pollution rules, specifically regulation 308 under the Environmental Protection Act. The old regulation is outdated and provides inadequate protection for the people and the environment of Ontario. We need a law that addresses problems such as the long-range transportation of air pollution and the ability of some of these chemicals to persist in the environment, accumulate in living things and climb the food chain.

First, we must apply bottom-of-the-stack pollution controls in proportion to the hazards they intrinsically present to human health and the environment. The reforms we are proposing would require every significant air polluter to cut contamination to the level attainable by the

appropriate level of pollution control technology.

Polluters emitting the most hazardous contaminants would meet the most stringent abatement levels. Substances with high toxicity, such as those with the ability to induce cancer or mutate genes and toxic substances which do not readily break down in the environment or which tend to bioaccumulate, would be rated as high-hazard contaminants. Examples would include lead and dioxin. Polluters emitting these contaminants would have to reduce them to the levels attainable by the best removal technology known anywhere in the world.

Substances rated as medium- or low-hazard, such as carbon tetrachloride and total reduced sulphur respectively, would be subject to levels of pollution control appropriate to the risk they pose.

Under one option presented for public comment, medium-hazard pollutants would require reductions attainable by the best generally available technology which is economically achievable, or as it is known, BAT-EA. Low-hazard pollutants would require reductions attainable by technology generally demonstrated as acceptable. Under another option, both low- and medium-hazard contaminant emitters would have to meet the BAT-EA levels.

Our proposal would adopt as a second line of defence a system of enforceable ambient air standards to replace the current point-of-impingement system. These standards would be supported with advance computer models to predict more accurately the effect of each source on local air quality. If the bottom-of-the-stack pollution controls called for do not adequately protect local air, further abatement would be required.

Upon adoption, the new regulation would apply immediately to the 1,200 new and altered sources which require approvals annually. It will be phased in to cover the most hazardous 10,000 existing air polluters within five years and the remaining 10,000 significant existing air polluters within 10 years.

Under the plan, all certificates of approval would also contain operating requirements to maintain a high level of pollution reduction efficiency. Our proposal would make certificates of approval for processes and equipment renewable every 10 years, so that air polluters would regularly be required to match the emission performance levels attainable by the latest techniques.

Our air pollution proposal is designed to deliver Ontario an ever-cleaner environment. It joins two other basic reforms, the municipal-industrial strategy for abatement, which aims to stop water pollution at its source, and Bill 112, which makes it cheaper to comply with our environmental laws than to pay the dramatically higher penalties for the polluters.

We are trying to put into place reforms that will stand the test of time. We seek public scrutiny of these air pollution proposals and whatever advice, comments and criticisms that flow from that scrutiny. I invite all interested parties to make written submissions to me by March 31, 1988.

RESPONSES

POLLUTION CONTROL

Mrs. Grier: We on this side certainly welcome the minister's announcement today. A review of regulation 308, or our air pollution control policies in this province, is very long overdue. I am very glad we finally have at least the beginning of it, because we and every environmental group in the province have been saying for a long time that the point of impingement to which standards were related was completely unenforceable.

My concerns are what has taken so long and how very much longer it is going to be before we are controlling those industries which are at this very moment polluting the air of the province.

We have before us today a discussion paper which has just been released. We have a framework within which responses are going to be received to that paper but no indication from the minister when we might actually see a regulation promulgated. Some of the groups that have been involved in discussions with the ministry indicate that it may be two years before we have a tougher regulation.

In the interim, the industries will be continuing to pollute, as they are now, and I suspect there will be no enforcement of the existing regulations and very few charges laid against those industries. The phase-in the minister has described in his announcement means it could be 10 years before the existing 20,000 polluters are brought under control.

I also am concerned about the phrase "best available technology economically achievable." When we first began to talk about cleaning up the environment in this province, we talked about the best available technology. Now we are talking about the best available technology economically achievable. What is that going to mean? Are we

watering down the best technology instead of really controlling the pollutants?

The minister speaks about MISA, Bill 112 and stricter penalties in this province. He did not mention Countdown Acid Rain. Perhaps it is worth pointing out that the other two major initiatives announced by this minister, MISA and Countdown Acid Rain, when subjected to scrutiny, revealed a plethora of loopholes. It was only after a committee of this House had reviewed Countdown Acid Rain that those loopholes were plugged, and we are still struggling to get the 11,700 industries that will not be covered by MISA covered by the minister's program.

I suspect that when we subject this discussion paper to scrutiny, we are going to find just the same number of loopholes. I want the minister to know that while he is seeking advice and comments, he is certainly going to get them in the weeks ahead.

1350

The other point that has not been taken into account in the minister's statement, but that I hope is contained in the discussion paper, is the recognition that health is affected by air pollution. There have been recent studies that have shown that hospital admissions have increased when the air pollution index is high.

I hope we will get the best available technology and the technology generally demonstrated as acceptable, subject to levels of pollution control appropriate to the risk that pollution poses, and that all of those weasel words are going to take into account that the health of the citizens of this province is being affected now, will continue to be affected while we are discussing this paper for the next two years and will be even more affected if in fact the minister does not speed up the timetable and get those controls in place long before the 10 or 20 years that he is contemplating.

CHIEF DOUGLAS BURROWS

Mrs. Marland: Just prior to my response to the Minister of the Environment (Mr. Bradley), I would like to share in the good wishes and the congratulations to Chief Doug Burrows on the occasion of his retirement, effective next year, from Peel Regional Police. Chief Burrows has certainly been an individual who has shown exemplary leadership in this province through his many professional associations and in his personal commitment and compassion as the leader of the most superior police force in Ontario, perhaps in this country, because of the particular

ability and the particular compassion of this individual.

POLLUTION CONTROL

Mrs. Marland: I guess my reaction to this statement of the minister today would have to be simply that I am tremendously disappointed. I am also somewhat amazed because I thought what we were waiting for were new air pollution guidelines. I did not think that we were waiting for yet another study, yet another green paper, yet another two years.

It is very interesting when we talk about the leadership that is supposed to be demonstrated by this particular minister. He talks about thousands of polluters spewing out contaminants into the atmosphere. I do not see him mentioning anything about the users of leaded gasoline in their automobiles.

I also find it interesting that he says this paper will help us rewrite the existing air pollution rules over the next few months. How much time does this minister need to rewrite those air pollution rules? It is so in line with the style of this government where we have another study, another investigation, another point of discussion, but that is all it ever is. It is study and it is discussion. It is never a factual remedy.

If in fact we did have air pollution guidelines, we would then have air pollution protection. At this point we do not have any of those things. It is interesting that when I look at what is said in this statement today, I see nothing to answer the question I brought up in this House last week, when I asked a question about the fact that we have an environmental assessment going on right now in the cities of Brampton and Mississauga as it pertains to a incinerator proposed by Petro-Sun.

It is rather interesting to recognize that the Petro-Sun incinerator is going to be either approved or rejected—measured against what? It is going to be approved or rejected in the absence of air pollution guidelines for those particular types of emissions, and I would have thought that to wait even until March, the minimum time stated in this statement, will in fact be not soon enough for the problems that may or may not be associated with the Petro-Sun incinerator. We do not know, because we have no benchmark by which to go. We also do not hear anything about where this discussion paper will perhaps address the problems associated with the Commissioners Street incinerator in Metro.

Quite frankly, two years from now is simply not soon enough, and I would challenge this

minister. If it is not going to be two years, we will be delighted; but in any case, whether it says two years or not, the point is it is already two years too late. It is interesting how long we have waited for this, and yet it is just a further discussion of purpose.

If the Minister of the Environment (Mr. Bradley) says that it does not say two years, that it is not going to be necessarily two years, then I would challenge him to do now something that he has been promising to do for two years, instead of just bringing us another green paper for discussion.

Mr. Sterling: We see today the announcement by this government about a great air pollution control mechanism, yet it fails to do anything about the principal problem we have with air pollution in Ontario. Of course, I happen to be speaking about secondhand smoke. This government has done nothing to protect the many workers or the many people who try to enjoy a meal in a restaurant or anything else. We have a minister who stands up and talks about bottom-of-the-stack pollution control. What we need in this province is bottom-of-the-butt pollution control.

ORAL QUESTIONS

EDUCATION FUNDING

Mr. B. Rae: I have a question for the Premier. On August 6, at the outset of the election campaign, the Premier gave a speech in Ottawa in which he outlined his policies on education. The Premier got many headlines for that. The Toronto Sun, for example, had a full headline saying, "Peterson Boosts Schools By \$297 Million." The headline in the Toronto Star read, "Peterson Promising 4,000 New Teachers and Smaller Classes." The headline in the Globe and Mail was, "Liberals Pledge More Teachers, Learning Aids."

It was a very detailed commitment, Mr. Speaker. I am sure you were reading it with interest in a constituency of which we are all aware. It is one that was accompanied by a major policy paper which was very detailed and very specific in terms of the amount of money that was to be spent, the amount of money that was to be allocated in each year and specifically where this money was to go. It called for a \$297.4-million program "in the first year of its implementation." I want to quote those words again, because they are important: "in the first year of its implementation," \$297.4 million.

On Thursday, the Minister of Education (Mr. Ward) made a statement to the House in which he

committed the government to spending roughly \$60 million in keeping with the commitment which he said the government had made during the election campaign. I wonder if the Premier can explain this \$230-million betrayal which his government has just attempted to foist on the Ontario public.

Hon. Mr. Peterson: I will refer that to the Minister of Education.

Mr. B. Rae: You made the promise, not him, my friend. Haven't you got the guts to get up and answer your own questions?

Mr. Speaker: Order. The Premier has referred the response to the Minister of Education.

Hon. Mr. Ward: I am pleased to have the opportunity to reiterate once again for the Leader of the Opposition our commitment to begin the process of implementation of the many commitments that we made in the throne speech, including the commitment to a reduction in classroom sizes in grades 1 and 2, moving from the present average of approximately 30 to one down to 20 to one. This year's general legislative grant provides an amount of money necessary to begin the process of implementing those changes in the coming school year.

Mr. B. Rae: The minister has been told to answer by a Premier who has not got the courage to admit that he completely and utterly misled the people of this province on August 6, 1987, when he made his statement.

Mr. Speaker: Order. Would the honourable member reconsider the word "misled"?

Interjections.

Mr. Speaker: Order. Would the member withdraw the word "misled"?

Mr. B. Rae: I did not say he misled the House. I never said he misled the House. What I said was that when the Premier made his statement on August 6, it could only be described as misleading. I do not think there is anything unparliamentary in that remark.

Mr. Speaker: Order. Would the member reconsider and withdraw?

Interjections.

1400

Mr. Speaker: Order. Would the honourable member withdraw the word "misled."

Mr. B. Rae: Mr. Speaker, do you want me to say the Liberal Party misled—how do you want me to put it—during an election campaign?

Mr. Speaker: I just want you to withdraw.

Mr. B. Rae: If you want me to withdraw the words in this House, in this place, right now, I will withdraw them.

Mr. Speaker: Thank you.

Mr. B. Rae: I wonder if the minister can explain how it is possible that, on computer hardware, the Premier promised specifically, very categorically and clearly, a commitment of \$94.5 million; the minister delivered \$10.4 million in what he said would be the first year, and they promised \$31.5 million a year for three years. On computer software, the Liberals promised \$13.9 million; the minister allocated \$3 million. On textbooks and learning material, the Liberal promise, the Peterson promise, was \$38 million a year; the minister allocated \$16.8 million plus six. On intermediate science, the Peterson promise was \$13 million; the minister's promise was only \$3 million. On teacher training on computers, the election promise was \$6 million; the minister did not allocate a nickel to teacher training on computers.

Can the minister explain the incredible disappearance of literally hundreds of millions of dollars from commitments which his leader, his Premier, the leader of the Liberal Party in this House and outside, made on August 6, 1987?

Hon. Mr. Ward: I would just like to point out to the Leader of the Opposition that indeed the costs of sustaining and maintaining the programs which were announced last Thursday are estimated to be approximately \$290 million annually once fully implemented. If the leader wishes, I would be happy to run through those items on an individual basis, but I would point out that it is anticipated that the funds that were made available in the general legislative grant allocation last Thursday—for instance, on the additional teachers required to achieve the 20-to-one ratio—represent one third of the total annual costs from September to December 1988 for in excess of 1,100 new teachers in grades 1 and 2.

On the issue of the computer hardware, I would point out that the funds being made available this year are in addition to the funds that were available on last year's base amount, and it is anticipated that we will meet or exceed our commitment for 100,000 computers, mostly in the elementary panel, over the course of the next three years.

With regard to the funds that are made available for educational software in elementary schools, the \$3 million allocated for this purpose will in fact provide for an orderly phase-in strategy that does reflect the availability of educational software at the elementary level.

Mr. R. F. Johnston: I think the minister knows that what he is suggesting is totally preposterous and that he cannot say he is on line in terms of teacher training for computer literacy when he has not spent one nickel in that area. He has also subsumed money from last year's special grants for sciences, for affirmative action, and put that into the base budget this year so that the school boards are now going to be stuck with those costs that he gave them last year.

Did the minister not realize when he was taking on the job as minister that he would have to deal with this memo from the Liberal Party on August 10 to the Ontario Public Education Network: "On August 6, 1987, Premier Peterson announced an 11-point action plan which would cost \$297.4 million in its first year of implementation." Did the minister know when he took the job on as minister that he would have to break that promise?

Hon. Mr. Ward: Again, I would like to reiterate for the member for Scarborough West that indeed we do recognize that the costs of sustaining these programs once fully implemented do exceed \$290 million. Again, I would just like to say to the member that we are not weaseling out of anything; in fact, we are proceeding immediately in the coming school year with the implementation of those commitments.

WORKERS' COMPENSATION

Mr. B. Rae: A question to the Minister of Labour about the Workers' Compensation Board. The minister may or may not be aware that tomorrow the Workers' Compensation Board is about to announce a new policy with respect to the payment of supplements to workers who are in receipt of permanent pensions. These supplements are known as the subsection 45(5) supplements, which are extremely important for those workers who are receiving them.

I wonder if the minister would care to explain why it is that the board is about to announce a policy that restricts those supplements, that further restricts the number of people who will qualify for them, both in terms of numbers and in terms of the length of time they are able to stay on those supplements, and that this in fact will mean that the board is spending less on supplements and less on rehabilitation than prior to the announcement of this policy tomorrow.

Hon. Mr. Sorbara: I am well aware of the intention of the board to announce what can only be considered a new view of subsection 45(5). I can tell the Leader of the Opposition that this new

view is based on legal advice which the board has received and considered, and has considered authoritative. The decision, as I understand it, is not a decision of the board but of the administration of the board that the correct interpretation of subsection 45(5) is to limit the payment of supplemental pensions in the way the member for York South has described.

It gives me a great deal of concern that the interpretation of the act is as issued by the board, and if indeed that is the case, then we may have to consider making sure that section 45(5) reads in a different way before too long.

Mr. B. Rae: As the minister expresses his concern, I want him to know that he joins a long line of concerned ministers of Labour in this House. I cannot remember one who has not been concerned. Russ Ramsay was concerned. Mr. Guindon was concerned when he was the minister. We have had a long line of concerned ministers of Labour. That is not the problem. The problem is not concern. The problem is what is happening to workers who right now are in receipt of supplements which allow them to carry on.

I wonder if the minister can explain why it is that when the board—and it is the board: the minister says it is some administrative action; it is a decision of the board with respect to a major policy question affecting over 4,500 workers in this province who are in receipt right now of pension supplements.

I wonder if the minister can explain how it is possible that when his government has just received a report, *An Injury to One Is an Injury to All*, which documents clearly how more money has to be spent and more focus and attention has to be paid to the problem of rehabilitation and the problems of workers who are on permanent pension—last week we had the disastrous policy with respect to gold miners, and this week it is workers who are in receipt of their supplements.

I wonder how the minister can explain why it is that when that report is there, clearly categorizing just how it is that workers are not being treated fairly by his government, his government can preside over a regime at the Workers' Compensation Board that ends up cutting down and cutting back and hurting workers who are injured. How can he explain that?

Hon. Mr. Sorbara: By virtue of the fact that we elected 95 members, we have the responsibility to preside over that board.

My friend the member for York South is not putting all the facts on the table. The fact is that what the board has decided in its interpretation of

subsection 45(5) is that supplemental benefits are to be paid during periods when the worker is involved in a rehabilitation program, and the board has decided as a matter of policy that there is not enough room in the act under subsection 45(5) to use that section as a permanent wage top-up system.

He should not suggest, in this House or elsewhere, that this will result in less money being spent on rehabilitation. What the board has said in its policy is simply this: that section is designed as a supplemental during the period in which a worker is undergoing a process of occasional rehabilitation. That may or may not be the correct legal interpretation. The board seems to think it is. He and I know that some workers, as a result of that interpretation, may lose supplemental benefits.

What the board has said is that this represents a wage top-up system. The act does not yet provide for that. I think the question that he should be thinking about and that I should be thinking about is whether or not we will proceed to a new system of permanent partial disability so we can realistically deal with the problem.

1410

Mr. B. Rae: The government has its 95 members. If it is so proud of itself, why the hell does it not do something for the workers in this province? It has the means to do it. Why does it not step in and pass some amendments to the Workers' Compensation Act? The government can do it. Nobody is stopping it from doing it. Is the minister going to blame the 35 members of the opposition for the fact that the Liberal government has not got its act together in order to do something on behalf of the workers of this province? Just try it.

The minister said I am wrong when I say that less money will be spent on rehabilitation. Can the minister deny that a result of this policy will be that workers who are now in receipt of benefits could be cut off and that less will be paid out in supplements than is being paid out now?

Hon. Mr. Sorbara: It is quite clear that in some cases benefits will be cut off and less supplements will be paid out. He knows that; I know that; we know that. The board says the problem is with the act. It is a problem with the act, but it is not a problem with vocational rehabilitation.

If all the facts are going to get out, let us make it clear what the board said. The board said supplements are to be paid while an individual injured worker is undergoing vocational rehabilitation.

It would be my expectation that more would be spent on vocational rehabilitation and not less. I think the member and I are *ad idem* on that and we have to start working on that. But let us not suggest that, as a result of this interpretation of the law made by the board, individual injured workers are going to be cut off the vocational rehabilitation, because that is simply not the case.

EDUCATION FUNDING

Mr. Brandt: My question is of the Premier. In 1984 and again in 1985 during the election campaign of that year, he promised that educational funding would under his government be increased to 60 per cent of net operating costs.

At the time his government took over with the co-operation and support of the now official opposition, his government was funding some 47 per cent of the cost of education, and that number has subsequently gone down to an estimated 42 per cent.

If I can get the attention of the House for a moment, and there are some other conversations going on: with respect to that constant reduction in the percentage of funding on the part of the province, and we have raised this question before, the government's response traditionally has been, "Oh, yes, but we have spent some extra money on capital funding or on some other program."

The fact of the matter is that the Premier did promise 60 per cent funding on the part of this province if he became the government. He is now the government. He has 95 members. What is his intention with respect to increasing educational funding on the part of the province to 60 per cent?

Hon. Mr. Peterson: I will refer that to the Minister of Education.

Hon. Mr. Ward: I want to assure the leader of the third party that this government remains committed to the principle of reducing the burden of educational costs on property taxpayers. We will continue to work towards reducing that burden.

Mr. Brandt: That is absolutely no commitment whatever. To remain committed to the principle of is not what the government said in the 1985 election campaign. In 1987 it repeated that commitment and now, it appears, it is taking a completely different stance altogether.

Let me ask the Minister of Education, since the question was referred to him, about his announcement of last Thursday of some \$60 million in funding, if I have the day correct, as I was not in the House on that particular day. On

Thursday, when he indicated that some \$60 million in additional funding would be provided, he inadvertently forgot to mention that there was some \$200 million or more in additional funding that has not yet been accounted for.

By the estimates I have taken, he has committed this government to about 22 per cent of what the government said it was going to do in the last election campaign. What is the minister's time frame for delivering the last 80 per cent of the program he promised the people of Ontario?

Hon. Mr. Ward: I would point out to the leader of the third party that the announcement that was made on Thursday was for a commitment in excess of an additional \$260 million through the general legislative grants for the coming year.

With reference to the throne speech initiatives and the amount of funds that were made available through the grants for those purposes, as I indicated to the House on Thursday, the amounts that would flow this year represent approximately one third of the total cost of those commitments, bearing in mind that the grants for 1988 only apply for a four-month period. We anticipate that fully implementing all of the many commitments made in the throne speech should be completed within a period of three years.

Mr. Brandt: Out of frustration, I am going to try a different way of asking the question. Will the minister commit himself today to this House and to the people of Ontario that he will see that no additional costs with respect to passing on programs from the province to local school boards, and therefore to local municipal taxpayers, will occur during the course of his ministry in this government? Will he commit himself that those additional costs, which we add up to some \$200 million or more, will not simply be passed on to the local levels of government?

Hon. Mr. Ward: I would like to point out to the leader of the third party that the initiatives that were announced in the throne speech to which he referred are being funded by additional general legislative grants above and beyond the base level of support that has traditionally flowed.

SKILLS TRAINING

Mr. Jackson: My question is for the Minister of Skills Development. In this morning's *Globe and Mail*, we read that the minister has been criticizing the federal government on its plan to cut spending on job training. Specifically, the headline reads, "Ontario Protests Federal Plan to Slash Job Training Funds." His own ministry's spending estimates indicate he has underspent by

\$64 million this year. When I raised this matter in this Legislature on November 19, the Treasurer (Mr. R. F. Nixon) said, "We gave them too much." Is the minister not being rather hypocritical to criticize the federal government for cutbacks when his own ministry is being cut back?

Hon. Mr. Curling: Not at all, because the responsibility of training is a federal responsibility. We feel that if there is a commitment by the federal government to spend \$2.2 billion for Canadian Jobs Strategy and at the moment it has been cut back to \$1.5 billion, and also if it changes the rules as it goes along, putting apprenticeship programs in jeopardy and some of the programs we have targeted as shortages; it is not at all hypocritical while we have put more money towards training in this province in ratio to what the federal government has done.

Mr. Jackson: I think the minister should start listening to what his own cabinet colleagues have been telling him. It was in this House that the Minister of Labour (Mr. Sorbara) and the Minister of Community and Social Services (Mr. Sweeney) criticized his ministry for the lack of programs and delivery here in Ontario. One of the other cabinet ministers was the Minister of Culture and Communications (Ms. Munro), who has made some comments about the dire straits of some laid-off older workers at the Hamilton Firestone plant with respect to the fact that the older workers' programs provided by this province are being cut back.

In his report last week, the Provincial Auditor referred to his ministry as a mess. He said its Futures money was going into buying refrigerators and microwaves, that his office was not complying with ministry guidelines and that eligibility data were not being checked. I say to the minister that people in glass houses should not throw stones. Is it not hypocritical to criticize the federal government—

Mr. Speaker: Question.

Mr. Jackson: —when the auditor and three members of his own cabinet are saying his ministry is a mess?

Hon. Mr. Curling: I think the honourable member has read a part of the auditor's report. It also stated that we had proceeded to correct some of the discrepancies that had been discovered and cited in the auditor's report. Like any auditor's report, it will identify things that could be better. The auditor also mentioned, if the member had read it in detail, that we have proceeded to correct

some of the discrepancies that were identified in the report.

1420

Mr. Jackson: The minister cannot react fast enough to the problems that are being uncovered in his ministry. I want to remind him that it was his Liberal government that cut off the \$2,000-special incentive grant program to employers who hire older, laid-off workers. In Hopedale Mall in Oakville, there is a branch of the 50-plus program that is going to be closing its doors at five o'clock today. This program, funded and created through the ministry, met the needs of 250 older workers in the Halton region. Those doors are closing at 5 p.m. today because they need \$15,000 to extend the program.

Is the minister not being hypocritical to criticize the federal government, when his own refusal to extend funding to the 50-plus program in Oakville will force the closure of its doors in less than three hours?

Hon. Mr. Curling: The honourable member has raised the point a couple of times, and I am sure he is quite familiar with our program for older workers in which we give \$5,000 in training vouchers to people who have been laid off for economic reasons. Also, there is the POWA program, I think it is, funded by the federal people, which looks after older workers over 50. We do not want to interfere with some of the federal programs.

Let me address for a moment the point on which he says we are hypocritical—cutting back our programs while criticizing the federal government for cutting back. In this province, we are trying to establish a training culture. We realize, too, that with the technological changes happening, we have to train—

Mr. Jackson: Talk to the member for Oakville South (Mr. Carrothers). You cut off his program. Tell the member for Halton Centre (Mrs. Sullivan). You cut off her program. Tell the members of your own caucus why you cut off their programs.

Hon. Mr. Curling: I do not think the honourable member wants to listen. He keeps babbling without wanting the answer.

Mr. Speaker: The usual procedure in this House is for the question to come through the chair and the response to come through the chair. I think it is time for a new question.

CANADIAN SECURITY INTELLIGENCE SERVICE

Mr. Hampton: My question is for the Premier. Earlier this year, probably in Septem-

ber, the Canadian Security Intelligence Service requested that the provinces enter into agreement with CSIS to provide CSIS with confidential information on individuals, gleaned from provincial government departments and agency files.

Has Ontario entered into such an agreement with CSIS and, if so, when did it enter into such an agreement? If the province has not yet entered such an agreement, at what stage are the negotiations at this time?

Hon. Mr. Peterson: I have just asked the Attorney General (Mr. Scott) and the Solicitor General (Mrs. Smith) if they had heard anything about it. To the best of my knowledge, I am not familiar with the question of any negotiations. I will look into it further, but the ministers do not appear to be aware either.

Mr. Hampton: The government is saying no approach has yet been made by CSIS or, if an approach has been made, no negotiations are under way. I want to bring the Premier and, in this case, the Attorney General up to date on a couple of things and ask a further question.

The Canadian Security Intelligence Service's review committee has completed a review of CSIS and found it has 30,000 files on individuals across Canada. If one translates that into CSIS's domain and its reason for being, it would tend to indicate that there must be 30,000 subversive people in Canada or 30,000 people who are acting against Canada's national interest. It also found that CSIS has investigated individuals who have been merely associated with trade unions or peace groups.

My question is—and the Premier, the Attorney General or the Solicitor General can answer this—in view of the colourful activities of CSIS and in view of the activities of investigating people who are not subversive in any way, is the Ontario government going to enter into negotiations with CSIS at this time or at any time in the future on this issue of providing government files?

Hon. Mr. Peterson: I am not aware, as I said, that there have been any attempts to enter into any negotiations. Perhaps there have been. I am not aware of them, and the Attorney General and, I gather, the Solicitor General are not aware of any. That being said, it is possible there has been some approach at a bureaucratic level. There may well be something that we are not aware of.

I cannot give a categorical answer to my honourable friend. Frankly, I do not know what he is driving at. I think that probably his questions are more appropriately directed

through his federal counterparts to the government in Ottawa.

SKILLS TRAINING

Mr. Jackson: I have a question for the Minister of Skills Development. Last week I raised a question with him with respect to when he would begin operations of his Transitions program. He stated in this House that the program was in operation and was working.

As a result of that response, my staff started calling all of the various locations which he indicates are sources of information for this program for unemployed older workers in Ontario. What we discovered was that the Ministry of Labour's plant closure and employment adjustment branch had application forms, but it had just received them in the past two weeks. What we found out when we called the universities and colleges, most notably the University of Toronto, was that they had not even heard about the program.

When my staff called the Ministry of Skills Development and asked for information on the program, it mailed by Priority Post this package of photocopied materials at a cost to the taxpayer of about \$6. The person is a student. He will not even be able to go on the program for another 16 years.

Does the minister really understand and know the true state of the Transitions program and its delivery in this province?

Hon. Mr. Curling: Last week or the week before, when the question was asked of me about when I was going to announce the Transitions program, I was going on the assumption when the honourable member got up that he knew the Transitions program was in operation. He has found out it is in operation; he has done his little investigation, as he said, and found a place where maybe it is not known.

I do not attest to the fact that every individual in this province knew about the Transitions program, but I know that over 6,000 people—and I stand to be corrected—in that region have been helped by this program. If that individual or the location the member pointed out is not familiar with the program, I am prepared immediately to direct my staff to get that information there and dispatch one of the civil servants there immediately to explain this program in absolute detail.

Mr. Jackson: The minister should be mindful of the fact that the Premier (Mr. Peterson), while in Hamilton starting this recent election campaign, promised the older unemployed workers in Hamilton that he was committing \$32.5

million over two years. In the first year, the minister has pledged \$14 million, according to his own ministry. I am just simply telling him what his ministry is telling me. It has \$1.8 million—that is all—targeted for this year, and that is just the target. But the ministry does confirm that it has spent nearly \$1 million setting up the bureaucracy and in bureaucratic costs associated with this program.

The minister stands there and says he has helped close to 6,000 people. His ministry says that if we look hard enough, we might find one individual who has received funds under this program. That came from his own ministry.

1430

In light of these facts about the mismanagement of his ministry, why is he being dishonest about his actual commitment to the unemployed workers in this province?

Interjections.

Mr. Speaker: Really, we seem to be having a little trouble today. Maybe some of the questions are going on a little too long and some of the responses are a little long.

Interjections.

Mr. Speaker: Would you just withdraw that please?

Mr. Jackson: I will withdraw it, because what I meant to say was—

Mr. Speaker: Thank you very much. Order. Would the honourable member take his seat? I appreciate what he has done.

Hon. Mr. Curling: I know that with the member's eagerness to perform he sometimes gets carried away with his words. We all are honourable men.

I just want to remind the honourable member that \$14.8 million was allocated to that program. In taking a look at my briefing notes too, I notice that at that time 550 applicants were received.

Mr. Jackson: You said you have helped 6,000 people. That is what you said.

Hon. Mr. Curling: I stand corrected. We are all honourable men.

Mr. Speaker: Order. Interjections are out of order. If you wish to complete your response through the chair, fine.

Hon. Mr. Curling: As I said, the commitment made by the Premier was honoured, and I think very shortly afterwards that program was in place and operating.

As I said, the honourable member stated the last time that the program was not announced. Now he is saying he has investigated and found

out that the program is working. I am explaining to him that applications have been received and members have benefited from that program.

POLLUTION CONTROL

Mrs. Grier: Last week I questioned the Minister of the Environment about the enforcement of pollution guidelines against the 300 companies that discharge directly to the province's waterways and about which the Provincial Auditor had remarked in his report. The minister, in response, told the House how the number of prosecutions started by his ministry had greatly increased. Specifically, he said, "In the first six months of this year we have initiated 114 prosecutions."

Can the minister tell the House how many of those 114 prosecutions were against the 300 companies about which I was questioning him last Wednesday?

Hon. Mr. Bradley: I would not be able to tell the member exactly whom those prosecutions were against, except they are against those who have been found to be in violation of the environmental laws of Ontario. Where the evidence has been gathered, it was determined that a prosecution would be a reasonable course of action on the part of the investigations and enforcement branch.

As the member would know, first of all, we have our investigators go out. Then the consultation is made with the legal authorities within the ministry to determine whether there is a case to be made. If there is, they proceed.

I indicated to the member in answer to her question last week that my view is the system has to be changed so that there are enforceable standards as opposed to guidelines, which as she knows are not easily prosecuted within the courts unless one can determine and prove beyond a reasonable doubt that there has in fact been damage to the environment.

I could not give her the specifics of that, other than to say that our prosecutions are based on the information which is gathered by the investigations and enforcement branch.

Mrs. Grier: My question was very specific last Wednesday, and it related directly to the industrial dischargers, 300 of which discharge into the waterways of this province. The minister responded that he had laid 114 prosecutions.

We have reviewed that list of 114 prosecutions. One is against a Keswick resident who constructed a well without a licence; 20 related to the sale of soft drinks in refillable containers; one

was against a farmer in Burgessville who allowed manure to flow onto a neighbour's orchard.

There are two possible explanations for the minister's answer to my question: either, despite his patronizing homilies to me in this House, he does not really understand how his department works, or he was attempting to blur the issue. Can the minister tell us which it was?

Interjections.

Hon. Mr. Bradley: I missed the last part of that, but it is probably good that I did.

The member feels that she can make a very strong case in the House and I am simply supposed to sit back acquiescently and take all the abuse that is thrown to this side. I well recall my eight years in the opposition when I did so.

There are a couple of things that I should mention to the member. She has of course selected very carefully the cases that she feels are of significance. Let me point out a few things to her. First, this is the very member who has complained for some time that the Ministry of the Environment must, and I agree with her in this, ensure that the soft drink container legislation is enforced and that the big companies who are involved in the violations of that be brought to task, and we have done that.

In regard to those who are spilling manure, for instance, and I do not want any interjections from the other side, that can cause problems for streams. But what the member did not mention is that Courtaulds Canada was—

Mr. Speaker: Order. Maybe the minister could send it over.

ROUGE VALLEY

Mrs. Marland: Unfortunately, my question is also to the Minister of the Environment. It is certainly interesting to hear the minister say that he spent eight years slinging abuse on this side of the House. I take exception to the suggestion that the two Environment critics are slinging abuse. We are simply doing our job.

Mr. Speaker: Question, please.

Mrs. Marland: On November 18 of this year, the Minister of Housing (Ms. Hošek) indicated to my colleague the member for Markham (Mr. Cousens) on the question of the Rouge Valley lands that several ministries were currently reviewing the possible use of the Rouge Valley lands for development purposes.

The Minister of the Environment was not actually listed as one of those ministers to which the Minister of Housing had referred the matter. Since he was not specifically mentioned as part

of these negotiations, can he confirm his participation and tell this House just what his views are with respect to the development of the Rouge Valley lands?

Mr. Brandt: Yes or no.

Hon. Mr. Bradley: The member's leader wants me to answer yes or no, and of course the question requires more than a yes or no answer.

Mr. Breagh: Which leader?

Hon. Mr. Bradley: The member of Oshawa says, "Which leader?" It is one of the ones here.

Mr. Speaker: Order. In response? Fine. Thank you.

Hon. Mr. Bradley: In response to the member's question about the Rouge Valley, of course she would expect, and I think all members would expect, that the Minister of the Environment would be making comments upon any proposals which would affect this particular land, one of the good reasons being that a good portion of this land is owned by the government of Ontario.

The Minister of Housing will be balancing this off against the very dire need for housing in Ontario and, in particular, housing for low-income people in Ontario. I recognize that the people who live adjacent to this or in the neighbourhood are going to be concerned about preserving this segment.

The member for Etobicoke-Lakeshore (Mrs. Grier), however, faced a similar circumstance where in her constituency there were many people who wanted an entire park to be devoted to environmental purposes. The member recognized that there was also a need for low-income housing to meet what her friends in her caucus have referred to as a housing crisis.

I want to assure the member that I will put forth the environmental point of view when the discussions on this matter take place in the cabinet.

1440

Mrs. Marland: The minister has just said that the only good reason is who the owners of those lands are. I certainly hope the reason that the Minister of the Environment would comment on anything does not depend on who owns the land, for goodness' sake.

The Rouge Valley, as the minister knows, is a rare ecological preserve containing 5,000-year-old archaeological sites, 35 species of fish, 21 species of rare plants and it provides a corridor for migratory birds. I ask the Minister of the Environment—and I emphasize "environment"—for his assurance that he will oppose any

development and commit to ensuring the security and preservation of the Rouge Valley lands.

Hon. Mr. Bradley: That is an interesting contradiction that the member puts forward, because as one of the members of the opposition—we listen to the members of her caucus on a daily basis make representations, as they should, to the Minister of Housing.

Mr. Brandt: The housing does not have to go there. There are lots of other places for it to be put.

Hon. Mr. Bradley: Hold on.

They cry about the fact that there is not adequate housing in Ontario for people, and particularly for moderate- and low-income people, and generally they support the concept that government land should be utilized for the purposes of housing. They balance that against their contention that all of this land should be retained for environmental purposes only.

I assured the member that I will put forward in the discussions that take place in cabinet the point of view which is an environmental point of view, bringing to the attention of all appropriate ministers who are in attendance all of the environmental factors.

Then the government will have to make a decision, as the member's caucus some day will have to make a decision, on whether it is going to provide housing for people in this province, where it is going to provide it and what environmental lands are going to be retained for specifically those purposes.

PENSION FUNDS

Mr. D. S. Cooke: I have a question for the Minister of Financial Institutions. The minister will be aware that the hospitals of Ontario pension plan, to which all hospital employees belong—there are about 70,000 workers who currently are contributing to the plan, 18,000 are retired and the average pension benefit for someone who retired in 1986 was \$436 per month.

Is the minister aware—I am sure he is—that the Ontario Hospital Association has recently announced that it will forgo making contributions of \$80 million, while its employees will have to continue contributing to the pension plan? Does he agree with this decision by the Ontario Hospital Association, or does he agree with this party that it is a withdrawal of surplus pension benefits through the back door?

Hon. R. F. Nixon: I am familiar that the association has taken the decision. They did it without consultation with the minister. In inves-

tigating, I am told that the surplus is sufficient for any kind of reasonable indexing that might be a part of our legislation once the Friedland report is available to us and the legislation is amended to take it into consideration. There is ample money there for the payment of any fixed benefit plus reasonable indexation in the future, and on that basis the law of Ontario permits a holiday of contributions, just as it did in the General Motors case and in Ontario Hydro. That case went to the courts for judgement under those circumstances.

Mr. D. S. Cooke: The minister will also be aware that when one case went to the courts, one of the dissenting judges made the statement, "I can see no difference between Hydro giving itself an accounting credit in the fashion described and removing the equivalent amount from surplus without the consent of the Pension Commission of Ontario."

If the minister and the government have in fact agreed with us, as they did, that surpluses should not be removed from the pension plans because that money belongs to the workers, why is the government allowing the Ontario Hospital Association to remove \$80 million of workers' money by not contributing to the pension plan next year?

Hon. R. F. Nixon: Under the statute and the regulations, it is not the same thing. There is a freeze on the removal of surplus until our legislation is complete and we have the advantage of hearing what the Friedland group tells us and it is presented to the House for the disposition of the members here. Certainly the actions taken by HOOPP are within the laws and regulations of the province. They have been tested in the courts, and I understand that the next payment from the hospital members is due about the end of February.

GREENACRES HOME FOR THE AGED

Mr. Cousens: I have a question for the Minister of Community and Social Services having to do with the town of Newmarket and the Greenacres Home for the Aged, which is owned and operated by Metropolitan Toronto. It is an outstanding facility serving continuing and chronic care patients, a facility that has 650 beds in it but is presently serving only about 400 patients. Could I ask the minister why this facility has been frozen so that there are no new patients being allowed into the facility when there is an ever-present need for more beds and more places for people who need this kind of facility?

Hon. Mr. Sweeney: As the honourable member perhaps knows, although Greenacres is

not situated within Metropolitan Toronto, it is in fact owned and operated by Metropolitan Toronto homes for the aged. They have taken a decision that it is inappropriate for them to place their residents in a home facility beyond their municipal jurisdiction. They have come to this ministry and asked for support to build two smaller homes for the aged, one in Scarborough and one in Etobicoke.

That approval and the financial support have been tendered to Metro. As a result of that, they have established a policy, which we support, that no further Metro residents will be introduced into that home. At the same time, given the fact that the home is located in York region, there are ongoing negotiations with York region for it to take over the operation of that home and in fact to operate it, but not at its full capacity; it is far too big for a home for the aged, given the new principles and philosophies of this ministry and of the government and, I would hope, of the honourable member. Until that happens, there will continue to be a freeze, although there are—and I am sure the member is aware of this—some York region residents in that home.

Mr. Cousens: I am asking the question about more than just York region. I am also critic for the elderly, and I am concerned that we are dealing with a facility that is one third empty yet fully prepared and able to provide excellent service to seniors. We are talking about a need, where doctors cannot find places to send chronic patients, continuing care patients.

I have a letter, of which I can send a copy to the minister, from a multidisciplinary treatment team from the psychogeriatric unit in Whitby. They are expressing grave concerns regarding the current closure to admission and the proposed closing of Greenacres Home for the Aged in Newmarket. We are talking about a great number of people who are concerned with the fact that we do not have space in York region.

Three hundred new beds have been promised by the Ministry of Health, and yet they will not be ready for 24 months. Meanwhile, 250 beds are going unused; they are not available. We are talking about people who need spaces. There is a seed of possibility in the minister's answer.

Mr. Speaker: Question.

Mr. Cousens: Yes, Mr. Speaker. There is a seed that maybe the minister can do something for us. Could he make a commitment to try to open up those 250 beds in Greenacres for continuing use rather than see them closed down?

Hon. Mr. Sweeney: I am sorry. At this point,

I cannot make that commitment, for two reasons.

Mr. Villeneuve: Are you saying no?

Hon. Mr. Sweeney: I am saying no.

An hon. member: What does it mean?

Hon. Mr. Sweeney: I cannot make the commitment. No, it does not mean the same thing.

About half the home has been renovated to today's acceptable standards; the other half has not been. I would suggest that if the honourable member were to visit the facility, he would find that the current residents are in that section of the home which has been upgraded and renovated.

At the same time, we have already entered into negotiations with York region to renovate its existing home, which I think has about 200 beds, and to plan with York region the building of a second home in the south end of the region, which is not served at the present time. Greenacres will be part of that total complex.

One of the other provisions that we are looking at is for a multi-use centre at the Greenacres site for geriatric purposes and for the purposes of the disabled that will cover many different uses. It would be inappropriate at this time simply to convert it to a use that is not deemed to be desirable.

1450

POLLUTION CONTROL

Mr. Lupusella: I have a question for the Minister of the Environment. Can the minister explain how his air pollution—

Mr. Laughren: Why not Labour?

Mr. B. Rae: I thought you were going to talk about the Workers' Compensation Board.

Mr. D. S. Cooke: This is your maiden speech as a Liberal.

Mr. Lupusella: The members do not mean what they say.

Can the minister explain how his air pollution proposals will affect the neighbourhoods adjacent to Toronto Refiners and Smelters; and can the minister explain if lead emission will be more strictly controlled as a result of the pollution proposal?

Hon. Mr. Bradley: The member may remember in my statement that one of the substances I made reference to, which was in the realm of high toxicity, or in the realm of bioaccumulation, or does not easily break down in the environment, was that of lead. One of the substances which would be a priority substance, in terms of the new air pollution regulation which would

flow from the green paper and the comments that we get from it, would be addressing the problem of lead in our society.

Of the two sources, one of them being the mobile source, which is automobiles, the federal government is making some efforts to address that. In the case of the stable source, such as battery refineries, the lead that is emitted from those would be subjected to this particular regulation and we would see a tightening of that to the extent that much of the problem would be removed.

ABORTION SERVICES

Mr. Reville: I have a question for the Minister of Health relating to abortion service. The House has had before it for some time the report from Dr. Marion Powell, which points out serious problems that women have in getting access to abortion services. We have heard a little bit of chat from the minister and in the press about 12 women's health clinics that may or may not appear. Will the minister share with the House her comprehensive strategy to ensure that women in Ontario do indeed have access to abortion services?

Hon. Mrs. Caplan: Let me say first that I recognize that the issue of abortion is a very sensitive issue which evokes very strong personal feelings. Abortion is just one component, in my view, of comprehensive women's health care. This government is committed to ensuring access for women in need, not only to therapeutic abortion services but also to a comprehensive range of women's services across this province. I am hoping in the very near future to have an announcement in this House of the first of the women's health centres that we propose to fund.

Mr. Reville: While all of us in the House will welcome a comprehensive approach to women's health, the question relates to access to abortion services. Given that the 12 health centres do come into operation, will the minister guarantee that no woman in Ontario will be denied access to abortion services, and does the minister now agree that at least 6,000 women each year are unable to get access to the services that are in place?

Hon. Mrs. Caplan: In Ontario, the issue is one of access. This government intends to ensure that the women of Ontario in need will have access to therapeutic abortion services within the framework of the general federal legislation. Let me go one step further in answering the honourable member's question, and that is that we believe the proposals as laid out one year ago

in our plan to have comprehensive women's health centres across this province will respond and meet the needs of women, not only those seeking therapeutic abortion services but also those in need of women's health services generally.

PALLIATIVE CARE

Mr. Villeneuve: I also have a question for the Minister of Health. Can the minister tell this House if provincial funding will be provided to the palliative care unit at the Hotel Dieu Hospital in Cornwall, which will be discontinued unless funds are forthcoming; it will be discontinued this coming March?

Hon. Mrs. Caplan: I am aware of the issue of palliative care and I share the concerns of the member. It is something that has been under review by the ministry for some time. I am looking at the instance the member has brought to my attention and will be reviewing that with ministry officials.

Mr. Villeneuve: I appreciate that the minister and the ministry are looking at this. Hotel Dieu Hospital is now raising funds for a chronic care addition. Cornwall General Hospital has a renovation drive on and is looking for funds. Donations are severely stretched. In the last four years, the Hotel Dieu unit has helped over 500 patients and there is a definite need. I can tell the minister that our own family was helped by the palliative health care people.

Given that this government claims to recognize problems in eastern Ontario and is paying some lipservice to eastern Ontario, can the minister tell this House that she will be providing financial help to the Hotel Dieu palliative care unit?

Hon. Mrs. Caplan: Let me say that the ministry has not refused to provide funding. Hotel Dieu Hospital in Cornwall has not submitted a proposal for a palliative care program to the ministry under the district health council's guidelines for new or expanded hospital programs. As I said to the member earlier, I am aware of the need for a comprehensive palliative care policy in this province. We will be reviewing same and will be considering that program.

PETITION

THERAPY FOR ABUSED CHILDREN

Mr. D. S. Cooke: I have some more petitions asking that the mandate for the children's aid societies be extended to cover mandated pro-

grams for child abuse, physical and sexual. There have been some petitions like this tabled already and I table more.

MOTION

ESTIMATES

Hon. Mr. Conway moved that the estimates be referred to the committees as indicated in the allocation statement printed in Orders and Notices today; that any supplementary estimates presented to the House be referred to the same committees to which the main estimates have been referred for consideration within the times allocated to the main estimates; and that any order for concurrence in supplementary supply be included in the order for concurrence in supply for that ministry.

Motion agreed to.

Mr. Speaker: I would like to remind all members that the House is still continuing its business. If you could keep your private conversations as low as possible, it would be helpful.

INTRODUCTION OF BILL

CITY OF TORONTO ACT

Mr. Kanter moved first reading of Bill Pr56, An Act respecting the City of Toronto.

Motion agreed to.

ANSWERS TO QUESTIONS IN ORDERS AND NOTICES

Hon. Mr. Conway: Before orders of the day, I want to serve notice that I am tabling the interim answers to questions 3 through 16 and 17 standing in Orders and Notices [see Hansard for Monday, December 7].

POLLS

Hon. Mr. Conway: I am also tabling a number of public opinion polls.

1500

ORDERS OF THE DAY

SELECT COMMITTEE ON CONSTITUTIONAL REFORM (continued)

Resuming the adjourned debate on the motion for the appointment of a select committee on constitutional reform.

Mr. Speaker: I believe the member for Brampton South (Mr. Callahan) adjourned the debate.

Mr. Callahan: I do not intend to be much longer.

[Applause]

Mr. Callahan: I knew I would draw applause with that one.

Much has been said in this House, and I think I started off by saying that the recognition of the Meech Lake accord is really a recognition of the fact that we have come a long way since Confederation. We have also come a long way in terms of how we should view ourselves and how we should be viewed in the context of the overall federation of provinces.

The Fathers of Confederation spent a considerable period of time, I am sure, giving and taking, in order to form a strong Confederation of provinces. The provinces that came into Confederation thereafter were required to look at the content of the distribution of powers and decide whether they wished to join the Confederation or wished to remain outside. As we all realize, historically, Newfoundland stayed outside of Confederation for a considerable period of time. I feel quite good in reviewing the process that took place to arrive at the Meech Lake accord, that it was not simply something that took place—

Mr. Speaker: I am sorry to interrupt the member, but several other members are having private conversations at extreme levels. The member for Brampton South will continue.

Mr. Callahan: It was not a matter that simply took place without some discussion or without some decisions being made about what to give and take. In fact, the powers that were arrived at under the British North America Act were subject to a tremendous amount of litigation that took place over the years to determine just who did have the power and who did not have the power. I suggest that in some respects this is just a growing process, the continuation of a growing process, the recognition of the maturity to which this country is coming and the recognition of the maturity to which provinces are coming.

It is also important to recognize that, contrary to some statements made in this House and to the impression the public perhaps has, this matter did not occur just on one day or over a weekend. There was considerable meeting of the ministers before an accord was finally reached. There was considerable give and take.

The emphasis seems to be placed on the question of Quebec getting a better deal than anybody else. I suggest that if one reviews the negotiations that went on, one will find that Quebec got its absolute minimum in terms of its demands.

There were other benefits achieved by all of the provinces, in terms of their maturity, of

allowing them to participate more fully in the makeup of their own house. I would submit that any growth factor or any efforts that are successful in bringing us together on a negotiated basis, as opposed to a confrontational basis, is beneficial in developing harmony within the family of Canada.

On the final bringing together of Quebec, something that was very saddening on April 17, 1982, as I stood on the lawn of the Parliament Buildings and watched the Constitution signed, was the fact that Quebec was not a party to that document.

Some people will look at this and say—and I suppose the criticism will depend upon the view they take of the circumstances and perhaps how open-minded they are prepared to be—that Quebec came out of this ahead of everyone else. I submit that if the document is examined in a fair, open way, without being terribly legalistic or being pessimistic over the outcome and decisions that will be made by provinces in the future, one will find that this document in itself is a further step, and a very important step, towards the maturation of this country.

I find it interesting that at one point one of the members speaking against the Meech Lake accord said this is something that was construed without any public input, simply signed and delivered to the people of this province.

I find it very difficult that the member is also speaking in favour of free trade, because that is exactly the statement we are making, that free trade was negotiated over a period of three days, 20 minutes before the carriage was going to turn into a pumpkin, and then submitted to the people of this province. I suggest you cannot have it both ways. You cannot argue that point on the part of free trade, in favour of it and against Meech Lake.

I submit that in the final analysis the people of this province will have an opportunity to present their views with reference to Meech Lake. I recognize the factor that there is a time frame within which this has to be approved by the 10 provinces of this country. However, I am sure, recognizing the considerable input that we will receive from individuals, they will come to understand that in arriving at this particular accord a number of views were taken under consideration.

They will recognize over a period of time, I would submit as well, that the accord itself represents the best that human beings are able to do. No constitution is perfect. Constitutions are not documents that are to be construed simply for

the present. They are growing documents and they are documents that will serve Canada in the next 50 or 60 years, and perhaps will even be developed further and enlarged upon over that period of time; but I submit that the direction of any constitutional change should be towards making Canada and making the provinces stronger and more responsive to the individual needs of Canadians.

Mr. Sterling: I would like to comment briefly with respect to the comparison made about the time for public input, the time for negotiation with regard to the Meech Lake accord and the free trade agreement.

The last speaker tried to compare the same by saying there were only three days in which negotiation took place with regard to the free trade agreement. I wonder what Simon Reisman has been doing then for the last year or so if he has not been negotiating. Of course he has been negotiating, and there have been many occasions on which people have had the opportunity to have input with regard to the free trade agreement.

I would like to also compare that with the Meech Lake resolution, which was decided behind closed doors in a period of about 20 hours with no public input as to what was going to be decided when those gentlemen walked out of that room.

The other thing to be compared is the type of documents we are dealing with. With regard to the free trade agreement, the present free trade agreement can be cancelled on notice. It can be cancelled on notice by either party.

When you are dealing with constitutions, constitutions are very difficult to amend and change once a right has been given in a constitution. In that regard, I would like to talk about our preoccupation in Canada with our Constitution and the seeming need that we have to amend it from time to time. Over the past five or six years, I believe we have had five or six different meetings by the first ministers of our country to attempt to amend our Constitution in various different ways.

Quite frankly, I do not think we in Canada treat the matter seriously enough when dealing with our Constitution. I believe we should change our Constitution or consider changing our Constitution when we have a very great need to do that, when there seems to be in front of the Canadian public a compelling reason to do it.

In 1982, the compelling reason at that time was to bring home our Constitution to Canada from Britain. There was at that time, I thought, a compelling reason to change our Constitution.

Now we talk about the reasons for changing our Constitution with regard to the Meech Lake accord, and the reasoning put forward by those who were a party to this accord was that it was necessary to bring Quebec into Confederation. In 1982, the Supreme Court of Canada said that Quebec was bound by the Constitution even though it had not formally signed the document.

1510

Quebec has taken the position that it is not subject to the Constitution, and therein lies a dichotomy or a contradiction. In order to make the amendments of the Meech Lake accord part of our law, the Constitution needs the signature of Quebec. In other words, we will have a province that has to act in accordance with the Constitution, i.e., sign it, to become a party to it, but claims it is not subject to that Constitution. It is quite a fascinating dichotomy.

The whole reasoning behind having this constitutional change was a symbolic matter to bring Quebec within the Constitution of Canada or to make it sign the Constitution. I believe that is an important symbolic gesture, but how important is that reason in determining the other side of the argument, in dealing with the changes the Meech Lake accord brings to our country?

I believe our Constitution, the federal system of government we have in Canada, requires that the central government be able to deal with national issues. In 1982 our Constitution Act was weakened in its final stages by what is known as the Loughheed formula. This is the section whereby a province can opt out of certain parts of our Charter of Rights and Freedoms when it is dealing with areas of jurisdiction within the provincial ambit. This is abnormal in terms of a country that is putting a charter in its constitution. The Meech Lake accord further weakens the Charter of Rights and the power at the centre by saying not only, "You can opt out," but also, "We will pay you to opt out." There is even an incentive for provinces to opt out of what the central government is doing.

I also have concern over the Meech Lake accord when it talks about the Senate and how senators are appointed. The reason I am concerned about it is that we have lived with this body, this upper House, in our federal Parliament without really trying to determine what the Senate is supposed to be doing. Before we determine how we are going to appoint the people who sit in the Senate, we should determine what they are going to do in the future, because our Constitution is for a long time. To date, the Senate has been fairly docile in how it

has treated various issues. Frankly, over the last 30 or 50 years, it did not feel it had a mandate to deal with an issue in a political sense.

Also, history in Canada has shown us over the past 30, 40 or 50 years that, generally, provincial governments were of a different political stripe from that of the federal government. Under the Meech Lake accord, we give the provinces the right to put forward the names of senators. I draw several questions that result from our past history and what the Meech Lake accord proposes. If the provinces appoint senators or put forward the names of senators, does this mean the Senate becomes in effect a provincial House, which is to deal with, not national issues but issues of a more parochial or provincial sense than it does at this time?

At present, our senators have tread softly with the powers they have. Only recently, during the Senate's consideration of the drug patent law, have we seen an exhibition of the potential power of our Senate. In that particular case, the Senate held up for a very long period that piece of federal legislation. Whether or not you agreed with the drug patent law which was put forward by our federal House of Commons, I really do believe that the Senate, this appointed group of individuals, abused the power it has resident in our Constitution.

If senators appointed by the federal government believe they have a mandate to stop and stall the federal government unreasonably, what will new senators appointed by provincial houses think their mandate might be? I believe such senators might be under the impression or misunderstanding that they have a mandate put forward by the electorate, which is not so. They might feel that because a provincial government of a different political stripe appointed them, they have a mandate earned by that particular provincial government to take with them to Ottawa and bring forward in the Senate of Canada.

Perhaps the Senate will have new life as a result of provincially appointed senators and perhaps that is something to be desired, but if the Senate is to have new life, I think we should decide before we change this method of appointment what that new life will be. If we decide to let the Senate even retain the powers it does have, I think the time has come that the Senate be elected.

The Meech Lake accord further diminishes the power of our central government. I have mentioned two matters already. But in other areas such as the appointment of Supreme Court

of Canada judges—that those names can be put forward by the provinces—and the right of all provinces to veto certain matters to be decided in the future with regard to constitutional matters, there is also a further weakening of the power at the centre.

What really has been gained in return by the central government at the expense of the provinces? On the one hand, we have had the bringing of the province of Quebec into this Constitution and having it sign in a symbolic way, but virtually nothing has been gained at the centre at the expense of the provinces.

I would like to make two suggestions in this regard. I know that this Premier (Mr. Peterson) is very, very reluctant to accept amendments to the Meech Lake accord, which I think is wrong. I think the matter should be dealt with in some detail and all good suggestions should be brought forward to a table and considered seriously.

One matter that I think is very, very evident at this time in our history is that dealing with commerce in our country. In the United States, for example, the Congress of the United States has the power, along with the President, to make a treaty dealing with trade matters with other countries, and each of the individual states, all 50 of them in the United States, must fall into line.

In spite of which side you support in the present free trade issue, I believe we must appear to be together as a country when we make a deal. I think we must appear a little ridiculous to other countries when we have our federal government, which is supposed to be the spokesman for Canada, indicating that we have made a deal and then we have the largest province in population indicating that there is not going to be a deal.

If we are going to have a country that is credible in the world of international trade, then our central government should have a stronger mandate in dealing with trade issues.

1520

I would also like to strengthen our Charter of Rights. When we sat down and drew up our Charter of Rights, we borrowed much from our American neighbours in drawing up those particular sections of our Constitution. As many will know of course, Britain does not have a Charter of Rights in its Constitution. While drawing many of the words from the United States in creating our Charter of Rights, we have learned little from the history of the United States in this regard. In the United States, under amendment 14 which was ratified as long ago as 1868, and I will read in part, "No state shall...deprive any person of life, liberty, or

property, without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws.”

Also, within the same article, the United States did exactly the opposite to what we did. It said the federal Congress of the United States has the power to enforce that article of the amendment, notwithstanding the split of jurisdictions between the federal power and the provincial power in the United States. In other words, a state cannot opt out of a matter dealing with civil rights in the United States. It was only through amendment 14 that the civil rights struggle in the US was won. Martin Luther King would never have won his struggle had amendment 14 not existed in the United States. That is how the southern part of the United States was turned around and the southern part of the United States was basically won.

The 1982 Constitution Act, in my view, and the Meech Lake accord, when put together are a throwback to the concept of the American Articles of Confederation when the United States was originally set up. As long ago as 200 years, the Americans met in Philadelphia to amend those Articles of Confederation because at that time they realized that there was a weakness in the union of the colonies of the United States. But instead of amending those articles, they wrote a new constitution which has lasted over 200 years. I believe it is the longest-living constitution in the free world.

I feel the Meech Lake accord, coupled with what it was necessary to put into place in 1982 in the Constitution Act, does take us in the opposite direction. I believe we should learn from our neighbours that we need a strong central power and that we need a strong Charter of Rights. The Meech Lake accord, in my view, at this time makes an unstable structure of sharing powers an even worse scenario.

In conclusion, on the one hand we have the reason for the Meech Lake accord to come into being; that is, to get Quebec to sign the Constitution, and most people have acknowledged that as a symbolic gesture, important as it is. On the other side we have a number of negatives which I believe this Meech Lake accord puts into the structure of our country. We have a further weakening of the Charter of the Rights. We have an uncertainty of what the Senate may do in the future. We have the right of the provinces to appoint the Supreme Court of Canada judges and the right of veto to each and every province in certain matters.

I believe the negatives at this point in time outweigh the positives in terms of carrying the Meech Lake accord through to be part of our Constitution, but I am not going to be completely negative and say I will not vote for the resolution in the final analysis when this comes to the final vote in this Legislature. I do not want to be accused of the same tactics that the Premier of this province has taken, that while he will let us discuss it, he will not change his mind when dealing with the Constitution and the Meech Lake accord.

At the present time, I feel it is difficult to support the Meech Lake accord, but I look forward to hearing my colleagues in this Legislature convince me that either the Meech Lake accord or an amended Meech Lake accord will be right and proper for a strong central government in our country.

Mr. Eves: It is my pleasure to rise today and participate in this debate with respect to the forming of the committee to look into the Meech Lake accord.

While I am pleased to be able to join in this debate and I look forward to sitting as a member of the select committee which will consider the accord, I suspect that I may be embarking upon an exercise in futility. I can only hope that my suspicions turn out to be totally unfounded.

Today I would like to respond to some of the comments made last week by the Premier and the Attorney General (Mr. Scott) who spoke initially for the government on this resolution. First, I would like to address the very nature of this resolution.

While I am glad that the government has agreed to strike a select committee and has finally agreed to hold public hearings, I sense that this government does so halfheartedly, not so much in the hope that they can learn from the public but in the hope that this committee will be a vehicle to convince all others of the rightness of the actions they have already undertaken.

For example, the Premier said he will send the committee across Canada so we can see the national picture which he believes justifies what he has done. He has said he is holding these public hearings because he has promised to do so. This is the same Premier who has refused a free vote on the issue and has let this Legislature know, in response to a question I asked last week, that he intends to use his majority to ram through his unqualified support for the accord.

I sincerely hope the government members of that committee thoroughly enjoy their trip across Canada because it would appear that they will be

surrendering their right to form their own opinions on the legal and political nature of the country in which they live. Instead, they will be spending their time trying to justify and find things which will justify the Premier's actions in May and June of this year.

Should the Premier choose to appoint members of his caucus who have any sense of integrity and self-respect whatsoever to sit on this committee, I am sure they will find that the price of their cross-country tickets is a very painful and high one indeed.

I would have felt a lot more optimistic about the possibilities of the task had I and the other members of the committee heard about what we are about to undertake, heard the Premier or the Attorney General saying that they were holding public hearings to determine what they could learn from the public and the people of Ontario. I did not hear that. What I heard was, "We are holding hearings because we promised them; what we did was right, and we are going to do whatever we have to do to make everyone agree with the position we have taken."

I can sympathize somewhat with the Premier. I am sure he is doing what he thinks is right under the circumstances, but I just hope he is not trying to stack the deck so he is vindicated whether his position deserves to be or not.

As the Premier knows, all parties, his included, are divided on this issue, federally and provincially. I think that serves to demonstrate the importance and the complexity of the issue with which we are dealing. The Premier has responded to criticism from within his own caucus by saying that everyone is entitled to his own opinion, although he does not share the views of his two caucus members who so far have spoken out, that they have a right to hold and express these opposing views.

These are grand words, but does the Premier believe in this right strongly enough to appoint even one or, shall I say, both to the select committee? Does the Premier believe in his rights strongly enough to allow the members of his own caucus to vote their own conscience on this issue? No. He has said that this issue is not that important. He will not allow a free vote; he will tell his members how to vote. If that is the case, they turn out to be hollow grand words indeed.

1530

The Premier and the Attorney General said that we must keep the overall goal of national reconciliation in mind. From the federal hearings and the public comments which have been made

so far, we know that many groups are deeply offended by this accord: women, native groups, members in ethnic communities, people in the Northwest Territories and the Yukon, francophones outside Quebec and anglophones within Quebec. I do not understand how an act which alienates so many groups in our country and society can be labelled an act of national reconciliation.

Make no mistake about it: as the accord stands now, it may well not turn out to be an act of national reconciliation. It may well be an act of Quebec reconciliation, but it may also be one which unreconciles a number of previously reconciled groups and further alienates those, along with Quebec, who have been looking for reconciliation within Canada for some period of time.

The Premier and the Attorney General ask that we defer desired changes to the accord until some vague point in the future. Does this not amount to asking that we place ourselves in some sort of vicious cycle of national reconciliation, that at some further point down the road we will nationally reconcile those groups that have been alienated by this particular national reconciliation, one by one?

The Attorney General and the Premier ask that we consider the effect that any changes made to the accord would have on the reconciliation of Quebec. In other words, would any such amendments scuttle the deal? Well, I do not feel that this question is necessarily a wrong one to ask, but I must admit that I am mystified as to how the members of the select committee will ever be able to answer that question, given the ground rules the Premier has laid out. Will members of the committee be making recommendations to a Premier who is then willing to go back to the bargaining table and be in a position to tell us if such a change would scuttle the deal?

For example, our party raised the issue of the immigration clause in this House and eventually forced the Premier some months ago to recognize that the clause said "guarantee" Quebec a set portion of immigration and not "target" a portion of immigration for Quebec. At that time, one of the Attorney General's advisers told one of the reporters at Queen's Park that it was a mistake: the accord should in fact have read "target."

Well, can the Premier now return to the bargaining table and say, "Listen, we want to substitute the word 'target' for the word 'guarantee' because 'guarantee' will adversely affect immigration to other provinces and create an actively discriminatory immigration policy"?

Can he then report back to the House that the change is indeed agreeable to Quebec, or that Quebec now objects on certain grounds and that such a change would scuttle the deal? The Premier cannot, under the ground rules that he has laid out. He cannot, because he did not even suggest when he participated in the final drafting of the accord that the premiers take the final draft back to their provinces, gain public input and then return to the bargaining table one more time to discuss possible changes. Nor has he since that time suggested that the premiers meet even one more time on the accord, although he has had ample opportunity to do so.

If the public hearings really meant something to this Premier, if he really believed that he even might, just might, learn something from public hearings, he would request such a session. He would work hard to ensure that whatever input he received at those hearings would be channelled into the process.

The Premier obviously does not want to expend that effort. Perhaps he feels he can learn nothing from these hearings. Perhaps he feels that he spent 48 hours discussing the future of the country and that is all the time he is willing to devote to it. If the Premier really wanted to give public input some meaningful role in this process and conserve his energy at the same time, there was a very easy solution: he could have agreed to hold public hearings in May, the one month which existed between the first and final draft of the accord. But he would not agree to hold such hearings last May.

Our party repeatedly pressed for such hearings, even moving a resolution to that effect.

What did the Premier say to that request? He said the constitutional experts would be drafting the final accord and the matter would be debated in the Legislature, so there was no need for public hearings.

He even went on to say: "The member," referring to Mr. Grossman, "gave the impression in his remarks that someone would come in and give an idea into the committee to change the wording. Can he imagine the strange situation into which that would develop? If some province has a hearing and somebody has an idea to change the wording, it comes back, brokered through the House presumably, and then goes to the other first ministers. We would be forever bringing Quebec into the Constitution."

What a strange situation indeed. Can members imagine it? A member of the general public could actually make a suggestion to improve upon the wisdom of the premiers. How bizarre. If

members can possibly in a million years believe this, the Legislature might agree to the change. Then, heaven forbid, the other premiers would actually have to spend some more time considering—this is just beyond belief—a suggestion made by an ordinary member of the public.

In other words, if the committee the Premier is now striking should recommend changes to the accord based upon what it has heard from the public, then the Premier would call that a strange situation. Hardly the words of a man dedicated to taking the words of the public seriously.

The refusal of the Premier to truly listen to public input on the accord troubles me for another reason. He seems blissfully unaware that under the circumstances he should be willing to listen more carefully than anyone else. He did not have a mandate to do what he did and has yet to seek one with respect to the constitutional accord. These hearings will provide the only formal public direction he has ever received on this issue.

Both the Premier and the Attorney General have said there is no need to insert a clause which says that nothing in the interpretation of the distinct society clause can adversely affect the rights and freedoms under the Charter of Rights. They say such rights already cannot be adversely affected.

My colleague the member for Nipissing (Mr. Harris) last week referred to the Supreme Court of Canada ruling on separate school funding. The Attorney General knows full well that the Supreme Court ruled that even if the charter were violated, such violation could not be used to prevent a government from exercising powers granted to it under another section of the Constitution.

Even if the Attorney General does not want to admit that such a ruling could be extended to the distinct society clause, I have a further problem with this whole argument. Why object to putting something down in writing which the Attorney General and the Premier believe already exists? If all it does is clarify the situation, why would anybody object to that? Surely Quebec would not object to that; surely none of the other provinces would object to that.

It is in fact this reluctance, if not outright refusal, on the part of the Premier to entertain such changes that encourages people to be suspicious about the accord, to worry about its impact. How can the Premier expect people to believe changes will be possible later, when the most innocent of changes are not possible now?

The government says that attempts to change the accord will be seen as saying no to Quebec. How can putting down in writing a protection which it believes already exists be construed as saying no to Quebec? There is no suggestion that the distinct society clause be altered or people be extended a protection they do not already have, at least according to the Attorney General and the Premier, so how could that possibly harm Quebec? How could they possibly object?

What I hear the Premier and the Attorney General saying is, "Love this accord completely or it means you hate Quebec, and Quebec will never sign the Constitution." This attitude is nothing less than emotional blackmail. It attempts to intimidate all those who would dare question the wisdom of the premiers. It ignores the fact that many groups and individuals in society want changes to this section of the accord that have nothing to do with Quebec or that would not in any way affect the stated purpose of that section.

1540

If the premiers meant target instead of guarantee, why do they not simply change the words? Does that refusal mean that, just maybe, Quebec meant "guarantee"; or that having inadvertently got a guarantee it will not now surrender it? To my mind, the Attorney General and the Premier should have very little if any objection to these kinds of changes and should be worried instead about changes which would seriously change the nature of the accord. I can understand how those kinds of serious changes could threaten the deal.

The Premier and the Attorney General suggest that we need not worry about the new amending formula and point to the accord itself as proof that total agreement is possible. I would remind them that since the draft was signed in the first week in June, one provincial government has changed and that provincial government is now saying that it is far from willing to be supportive of the accord as it now stands. So much for total agreement.

As both the Premier and the Attorney General know, the approval period for any constitutional amendment is some three years. Even if total agreement is possible at the outset, a lot of governments can change over the course of three years, and since, as both the Premier and the Attorney General have admitted, constitutional amendments are seldom perfect, I can imagine it will be pretty difficult to maintain total agreement through a succession of new governments over the next three-year period.

However, the Premier and the Attorney General assure us that we should not worry because this total amending process will only apply to certain institutional issues like the Queen, the House of Commons, the Senate, the Supreme Court of Canada and new provinces and territories. These strike me as pretty important institutional ideas and issues. I know a lot of people who care about them a great deal. In fact, I imagine that the reasons the amending formula has been made more severe for these issues is because they are so extremely important.

My colleagues last week and today have very clearly outlined some of the concerns and problems with the accord, and many groups and individuals have also identified other concerns. I am not here today to reiterate those concerns. I think the members all know them.

I look forward to hearing the views both negative and positive of others during public hearings. The Premier thinks it is important the committee hear the viewpoint of other provinces and I will happily listen, but I also think it is very important, and the Premier should not forget it, that we are here to hear the viewpoint of Ontarians with respect to their role in the future of Confederation.

Perhaps some of the best words I have heard with respect to the proposed draft of the Meech Lake accord were issued to the Ontario Legislature on May 26 by the then leader of the Progressive Conservative Party. Ontario Progressive Conservatives "believe this debate should be different: different because of the subject at hand, Confederation...the way in which Canadians live together," the way in which our duly elected federal and provincial governments co-operate together.

"...my colleagues and I are delighted the Prime Minister of Canada and his colleagues were successful in achieving an agreement in principle to bring Quebec into the Constitution. We want to see the province of Quebec join in the Constitution and charter legally, formally and willingly. We want to see the commitments with respect to free movement of capital, goods and people...apply in Quebec....We want to see the other provisions of the 1982 agreement apply in Quebec....

"More significant, the Meech Lake agreement in principle achieves political legitimacy for these elements in Quebec. That...is very important to Canada....

"It was never my view...that this kind of achievement could be made without some cost in

terms of the final shape and scope of the agreement itself.

"It was Premier Davis, I think, who said there was no value in a Confederation that confined the role of the government of Canada to that of a travel agent for the provinces. It is still in the philosophy of Progressive Conservatives in Ontario to support a strong central government for this Confederation. I believe most Ontarians, regardless of partisan provincial political affiliation, share a philosophy of nationhood in that Conservative sense...."

We "do not believe a nation is simply a hotel in which provinces happen to be pursuing individual goals....It is very much a part of Canada's national definition that we pursue the task of self-definition on an ongoing basis."

But often a quick agreement is not the best agreement. The quick accord is not always the right accord. "In the one-day"—and now two-day—"rush of the Meech Lake accord, have we in any way diminished the essence of what Trudeau, Davis, Chrétien, McMurtry and Romanow spent two years considering...and debating?"

Public debate is a part of the process for provincial ratification and is very important. My colleagues and I in the Progressive Conservative caucus offer our co-operation, our goodwill and our earnest commitment to work with government members and those in the official opposition. Canada deserves no less from the province of Ontario, the House deserves no less from this government and the people of Ontario deserve no less from the Legislature.

The Acting Speaker (Mr. Morin): Hon. Mr. Conway moved, on behalf of Hon. Mr. Peterson, resolution 5:

That a select committee on constitutional reform be appointed to consider and report on the 1987 constitutional accord, signed at Ottawa on June 3, 1987, and tabled in the House on November 23, 1987 (sessional paper 74), and matters related thereto; that the committee submit its report to the assembly before the end of the spring sitting of the First Session of this parliament, provided that if the House is not sitting, the committee have authority to release its report by depositing a copy of it with the Clerk of the assembly and upon resumption of the sittings of the House, the chairman of the committee shall bring such report before the House in accordance with the standing orders; that the committee have authority to sit concurrently with the House and during any adjournment of the House, subject to the approval of the three party whips; and that a full Hansard service

be provided for all of the proceedings of the committee.

Motion agreed to.

INTERIM SUPPLY

Hon. R. F. Nixon moved resolution 1:

That the Treasurer of Ontario be authorized to pay the salaries of the civil servants and other necessary payments pending the voting of supply for the period commencing December 1, 1987, and ending December 31, 1987, such payments to be charged to the proper appropriation following the voting of supply.

Hon. R. F. Nixon: I think the honourable members are aware that this is a routine motion put before the House at regular intervals.

The only thing that is a bit different this time is that the normal timing was disrupted by the election so that this year we now have already spent \$7.3 billion under the authority of the initial special warrant, \$9.9 billion, the actual expenditure between June 1 and October 31 under the interim supply motion already approved by the House. We have a current special warrant of \$2.7 billion and the amount expected to be spent under the authority of the resolution put to the House now, which will really just be for the month of December, will be \$2.8 billion.

The members might be interested to know that if they approve the resolution, which I hope and trust they will do, tomorrow we intend to make 2,500 payments under the Ontario Drug Benefit Act, amounting to \$20 million, and there will be 100 payments to school boards amounting to \$75 million.

On Wednesday, there will be 10,000 payments to Ontario hospital insurance plan recipients, mostly our good friends the medical practitioners and others, for \$140 million; and mental health facilities, 120 payments for about \$20 million. On December 3, nursing homes will receive, through 700 individual payments, about \$35 million, and on December 8, colleges and universities will receive 46 payments amounting to about \$100 million.

On the other hand, if the members do not choose to carry this motion, then we will have to do something else.

1550

The Acting Speaker (Mr. Morin): Questions and comments?

Mr. Laughren: I was hoping the Treasurer would tell us just what he saw the options as being if we decide to either vote against it or

continue debate until tomorrow. I put that in the form of a question of the Treasurer.

The Acting Speaker: Are there any other questions or comments?

Mr. Laughren: So don't answer; be arrogant.

Hon. R. F. Nixon: Does this funny rule apply to opening statements on resolutions?

Mr. Breagh: Yes.

Hon. R. F. Nixon: Oh, well, the alternative is simply to debate it tomorrow and the day after and I am quite prepared to do that because it is very interesting.

Mr. McCague: I am not exactly sure what we are doing right at this very moment. Maybe the Treasurer could help me. Is this question period time or is this comment-on-the-motion time?

The Acting Speaker: It is questions and comments. Members have two minutes either to comment or to ask questions.

Mr. McCague: I want to speak to it for two hours later.

The Acting Speaker: No questions or comments. Does the minister wish to reply?

Hon. R. F. Nixon: I have a feeling we are off the rails here just a little bit. I made a very brief opening statement, and I think the budget critic for the official opposition, sitting as he does in a very special place in the front row, got up under our rules to ask a question or comment under the 90-second rule. I commented on his question, not realizing that there were others, so I have nothing further to say at this time but I await with a great deal of anticipation his more formal remarks, if any.

The Acting Speaker: Are there any other members who wish to participate in this debate?

Mr. Laughren: We have now moved on to the more formal part of the debate. I am glad the Treasurer now understands that. I did not realize how confused he was.

We are going to support this motion of supply but some of us are very concerned about what happens in the next four years. I understand that this motion itself does not deal with the next four years.

Hon. R. F. Nixon: The member does understand that. He has his confusion level reduced to that point.

Mr. Laughren: Confusion reigns supreme on that side, not on this side.

There are some concerns I would like to put at this first opportunity in dealing with the supply motion and there will be many of them during the next four years.

My concern is simply to what extent this government intends to use the money we vote through these supply motions and to what extent it wishes, despite its massive majority, simply to be a caretaker kind of government. My concern is all the more real because of the reputation of the Treasurer for really being a Tory and that he simply stumbled into the Liberal Party because of family connections, rather than by conviction. I am concerned that the Treasurer will provide leadership to the government, as only he can do, in a way that is more reminiscent of the past than what I think should be an indication of the future.

In other words, is the Treasurer simply going to look at the funds as they pour into the consolidated revenue fund and then parcel them out to the municipalities, to the school boards, to post-secondary education and to social programs, or is he going to treat the next four years as an opportunity to do something different in Ontario with the moneys that come to him?

I put to the Treasurer that in view of his government's opposition to free trade—it has made a statement; his government has made the statement that, in its belief, the invisible hand of the marketplace is not appropriate in Ontario, that it does not really trust the marketplace to look after the needs of Ontario citizens, that it is worried that the invisible hand of the marketplace could become the incredible finger of the marketplace and that it is simply not prepared to allow the marketplace to determine the priorities in Ontario. I think that is appropriate.

But I can tell the members that I will be disappointed if, having rejected free trade and having rejected the marketplace as arbiter of decisions that affect the economy, and through it the way people can live in this province, the Treasurer or his government simply leaves it at that and does not set up what I would call an alternative to free trade; in other words, start doing some things that say, "Look, we have rejected free trade because we do not believe the marketplace can look after our problems." I can tell members that we believe free trade is a very powerful ideology and that to reject it without saying we have some alternatives to that kind of ideology is simply irresponsible.

I think the Treasurer understands, as most of us do, that once you say the marketplace cannot make the decisions, then you have to make them. Who else is going to make them if you have decided the marketplace is not going to be the organization that makes the decisions? Then who is going to make them, because you have rejected that ideology?

I simply hope the Treasurer will recognize that there is an added burden on the government. It is an enormous responsibility to interfere in the marketplace once you have rejected the marketplace, so I hope the Treasurer and his government will understand that while the marketplace obviously has an enormously important role to play out there, it will provide only the kind of decisions that are acceptable to a minimum level.

The marketplace will reject decisions that deal with sovereignty, for example. The marketplace could not care less about sovereignty. I suggest that the marketplace will allow all sorts of distortions in the sectoral sense out there. The marketplace does not care if there is a mining industry in northern Ontario; it could not care less. The marketplace does not care if there are regional disparities. Those things are left to the government. So I would say that if the government is concerned about regional disparities, about cultural and economic sovereignty and about vacuums in the sectoral or economic development of the province, then there is a responsibility on the government, having rejected free trade and having rejected the marketplace, to step in and fill the void.

I feel very strongly that those things that exist out there, the regional disparities, the lack of economic sovereignty and the lack of strong sectors, particularly the important manufacturing sectors, are because the previous government believed very strongly that the marketplace would make the best decisions. The previous government believed that while there might be some distortions, the marketplace provides rough justice, and therefore, the less we interfere with it, the better off we will all be.

I do not think I am unfair to the previous government. It is a free enterprise party which believes the marketplace should be tampered with only when absolutely necessary to provide a minimum level of acceptable social, health and educational services to the people of Ontario. That is why it, I think quite legitimately as a Tory party, believes in free trade, and I commend it for sticking to a constant ideology in that regard.

The present government, though, is in a tough spot as a Liberal government. It is tough being a Liberal in this country. Even though they are the natural governing party, it seems, in Canada, they have to make some tough decisions. They have some tough decisions to make. Well, once you have rejected the marketplace, you have accepted responsibility for making the decisions that it would otherwise make. That is what this government has done and I support that rejection

of the marketplace as the final decision-maker in our society, but I can tell members that the government is going to have to step in and take up the slack.

I will be specific in a couple of areas, very briefly. One is housing. The government has accepted the fact, surely, that the marketplace is not going to provide affordable housing. You certainly do not have to look outside Metropolitan Toronto, but you can go anywhere in Ontario and the marketplace is not going to provide affordable housing. The marketplace will not look after those distortions in sectors. For example, I mentioned mining machinery in northern Ontario. To this day we remain the number three producer of minerals in the world and the number one importer of mining machinery. Surely that does not make sense. To the marketplace it does, but to us as a sovereign nation it should not make sense.

1600

Government procurement: I hope the government will come up with some important statements on government procurement. To date we have not had any. I know that is contrary to free trade, but surely the government has already stated its opposition to free trade and therefore now must say: "We are challenging that whole ideology of free trade and here are some ways we are doing it: We are going to aid and abet sectors in which there are now gaps, or even a complete vacuum. We are going to use government procurement to stimulate Canadian industry, not just Ontario industry. There are areas where we have a large domestic market and huge imports. We are going to move in and do something about that as well in order to create jobs and to reduce regional disparities in Ontario."

I think that in a funny kind of way we owe the federal government, and the Prime Minister in particular, a vote of thanks because he has raised the political debate in this country to a level that deals with the reality of different ideologies that we must confront in this country. I think that is healthy in the long run although I am passionately opposed to the whole idea of free trade. In this country we have a long history of combining private enterprise and public enterprise in order to do what is best for the country.

I was reading a book that came out about 1974, *A Nation Unaware: The Canadian Economic Culture*, by Herschel Hardin, writing about Canada. He says this, and it really struck home with me:

"Canada, in its essentials, is a public enterprise country—always has been and probably

always will be. Americans have, or at least had, a genius for private enterprise. Canadians have a genius for public enterprise. Once the powerful impulse of Canadian nationalism combines with a liberated public enterprise culture, Canada will experience a golden age of entrepreneurship, because nothing in modern times is quite so creative as practical self-discovery."

That struck a responsive cord in me because I think what it states is that if you look at the history of Canada—and I will not go into all that about building our railway, our transportation system, Air Canada, the Canadian Broadcasting Corp.—those things were done with public enterprise. In Ontario, I guess it was a Tory government that created Ontario Hydro, as a matter of fact, but there is nothing to be ashamed of and nothing to be surprised at when we look at the history of the country or of Ontario to see the role that public enterprise played.

I hope that in the next few years the Treasurer and his government will see what they have done as a challenge, not simply to oppose free trade. I hope it was not opposition simply to stake out a party position for the Ontario Liberals, but rather that it is part of a game plan that says: "We do not believe that free trade is best for Ontario and there are some things we have in mind, since we have rejected free trade. We simply cannot reject something; we have to stand for something as well."

If the Treasurer wants some suggestions at any point, I would be very happy to lay out before him what we see as good and responsible, always keeping in mind, of course, the need for fiscal responsibility. I do not have to remind the Treasurer of that but some of his back-benchers might not appreciate the responsibility of the Treasurer always to adhere to that dictum. It was even in the accord that the New Democratic Party and the Liberals signed a few years ago: Everything must be done within a framework of fiscal responsibility. I think the member for Oshawa (Mr. Breagh) would agree that was in there.

Mr. Breagh: It was written in.

Mr. Laughren: It was written right in there, at our insistence, I assume.

Mr. Breagh: We wanted it there.

Mr. Laughren: I assume the Liberals might not have worried about it, but we insisted that that be in there.

I will conclude my remarks and just hope that the Treasurer, in these early days of the new government, sees that we are giving him a gentle

reminder that he is indeed a Liberal, both big-L and little-l.

The Acting Speaker: Questions and comments?

Hon. R. F. Nixon: I just want to thank the honourable member for taking on the special responsibility of being the conscience of the Treasurer, rather like Jiminy Cricket. I appreciate his offer to extend the helping hand of advice on all occasions. He indicated he would not give me advice unless I asked for it. If I can have that in writing, I would certainly appreciate it.

His reference to the marketplace is interesting and I think he is correct when he says that in some areas of important endeavour, the government, both the present one and our predecessors, has moved into an area where the marketplace in other jurisdictions has had complete control. He mentioned Hydro and he mentioned rent review. Further indication is the fact that we are going to be debating later this week a bill that will give a board, separate from government, the responsibility of deciding what automobile insurance rates are.

But I am glad he also indicated we have a commitment to a more mixed economy and that we do rely on the marketplace, in great measure, to govern its own affairs. In the long run, we have not rejected, as the honourable member's party has, the possibility that the marketplace can deal effectively, fairly, with equity and simplicity and in an understandable way with the best interests of the community at large. In that way, the individuals in the community have some input, as individuals, in what that marketplace does, just as they have—and the honourable member has shown it himself personally—as individuals an input in decisions made by this body.

I will have an opportunity, I think, at the end of my remarks, to deal more fully with his references to trade and government procurement, all of these matters of importance.

Mr. McCague: It is always a pleasure to speak in this particular debate because I was on the other side of the House for a few years when the Treasurer was about the only guy on this side who would stand up and say something, and he would make it very humorous. Last year, on one of these motions, I read back to the Treasurer some of the things he had said. I chose not to do that this year but I can tell you that the number of them is voluminous.

However, I do recall the Treasurer criticizing very highly the same thing he did today, when he took the liberty of reading into the record all the things that were not going to happen because we

might not vote this money today. There are many, many more things that are not going to happen because the Liberals are the government.

When I was over on that side, there were many times I thought it would be a great idea to have the present Treasurer over there, too. At least it would have kept him quiet on these quotes I am talking about. Now that I am on this side, I would not even want to go over on that side and associate myself with all those nasty things he said. I am sorry the Chairman of the Management Board of Cabinet (Mr. Elston) is not here.

The members know those warrants and things the Treasurer stands up with every time and presents as signed by His Honour the Lieutenant Governor with his own hand. I can recall dozens of times when the Treasurer would stand up and say: "What an outmoded idea. If we ever get over there, we will change it." Well, I do not know when he is going to change it. He is probably going to take away the QCs and get rid of the special warrants at exactly the same time. It was easy to criticize at the time. It is much more difficult to act at the present time, as the Treasurer has found out.

So all those things that are not going to happen, the Treasurer would just raise the devil about when he was on this side. I just tell the Treasurer that we do not like those threats, but we do appreciate the almost two hours that we have to discuss the matters at hand now.

1610

I guess one of the things that provokes me about the present government more than anything else is the way it has let the civil service grow. We spent a lot of years as a Conservative government cutting back on the numbers of civil servants to a level which we thought was acceptable to the general population, and the Treasurer—whether it is he or some of his cabinet colleagues—says, "Let the numbers grow by leaps and bounds."

One thing I would call a bit of trickery—the present Premier (Mr. Peterson), when he took office, made a big thing of the size of his cabinet, and then when he got a small cabinet, each minister got a big staff.

Interjection.

Mr. McCague: Oh, yes. The Treasurer does not need this.

Now, I will admit that the Treasurer is trying to set a bit of an example, but it just ain't working. He did not have too many people for the workload he was carrying, for the first couple of years especially, but a lot of the ministers do. But what does the Premier do? He appoints another

10 cabinet ministers, and they all think they need the same size of staff as was the previous case. Then he appoints parliamentary assistants for everybody, whether they have got anything to do in the first place or not, and he gives them staff. If that is not truly trickery, I miss my guess.

Mr. Breagh: It is not a successful trick, but it is trickery.

Mr. McCague: It is trickery, yes. That is right.

However, now that he has all those people, it would be a great idea to put them to work. Lots of things come to a member's attention regarding things that just do not get done in a government. That probably applies to most governments.

But here are two letters, oddly enough, received two days apart. One states that he applied to the Minister of Consumer and Commercial Relations on August 7 for a change of name. I guess somebody wanted to change his name; the letter was dated November 23, and nothing had happened. It is just a whole series of lack of action. We were fortunate. We got in touch with the ministry this morning and got the fellow's name changed. At least, the ministry told us it would have the documents in our hands tomorrow. That was August 7.

Later in the mail today comes another one. In this one, it was on July 31 that the application was submitted for a change of name. Still, nothing has happened. Of course, this gentleman makes a point that, "If the civil service is understaffed or so inept at handling these applications, such that it takes five or six months to effect a Change of Name, I am wondering why this procedure was taken out of the hands of solicitors."

If one knows the Treasurer, one would not be surprised at anything the Treasurer would take out of the hands of solicitors. However, I just say to the Treasurer, can we not deal with these things as a Legislature or as the government a little more expeditiously? Now that the government has a cabinet of 30 or so—

Hon. R. F. Nixon: Twenty-nine.

Mr. McCague: Well, 30 or so. That is more or less, you know? Thirty, more or less.

Hon. R. F. Nixon: I think you say "25 or so" when it's 29.

Mr. McCague: Well, whatever.

Today in this gallery there was a group of people from the Ontario Association of Interval and Transition Houses, a group that the minister is responsible for. Apparently, one by one, they were all too busy to meet with the group today. I

understand they notified all members of this Legislature some three weeks ago—would that be fair?—or four weeks ago by letter that they were coming and would like to see either the caucus or the ministers. One of the members, I think, met with the group—the member for Halton North (Mr. Elliot), who used to be in the good country and slid south a bit, but he will be back up there some day.

Hon. R. F. Nixon: He ran up there one time.

Mr. McCague: He did. Yes, that is right.

Hon. R. F. Nixon: Very good candidate.

Mr. McCague: He is a very outstanding fellow, but he did not win.

Interjection.

Mr. McCague: Yes, I know you have been coaching him. That is what helped us.

Anyway, they wanted to meet with the Liberal ministers and they wanted to tell them about where some of this money that the Treasurer is asking us to vote on today should go. They are a little upset about proposed Bill 60. They say they need legislated services, but their main concern is the lack of funding and housing.

It is my understanding that in May of this year the government promised to announce the funding formula. That has not been done yet. Of course, the election intervened, but I guess now the Treasurer must have a terrible time juggling all of the promises the Premier made when he got out of the Treasurer's sight. I know that can be very difficult.

The Treasurer announced, as all treasurers have traditionally done over quite a number of years, that he was going to take \$350 million in restraints out of the budget from the various ministries' appropriations. I know how difficult that is for a Treasurer. He just says to the Chairman of Management Board: "We need \$350 million. Do it." Then a minister goes to the Treasurer and says: "Do you know what he is trying to do? He is trying to take some money from me." The Treasurer says, "Isn't he a nasty fellow?" It is a very supportive role that the Treasurer plays in all of this. I am well aware of it.

However, given the fact that the estimates are being introduced at this particular time, I would have thought that by now the Treasurer would have had the opportunity to identify some of these constraints. Of course, I know he has a lot of juggling to do to make the Minister of Education (Mr. Ward) look good—and he is looking terrible—and to try and spend the money on housing so the Minister of Housing (Ms.

Hošek) does not look terrible; just a whole multitude of problems that he has.

I will be telling the Treasurer tomorrow about a situation that I am familiar with where the number of portables in a board has increased 100 per cent under his regime as government. That is quite a tribute to him.

Hon. R. F. Nixon: Well, we got that big factory up in your riding there.

Mr. McCague: The big factory is not causing the problem. We may have to use it for a school if he does not hurry up.

Hon. R. F. Nixon: It is your constituents who are so healthy and active.

Mr. McCague: That is true, too. However, I have been trying to persuade the Minister of Housing that a lot of the small municipalities like St. George, and those that are a little bigger, like Paris—I drove through that beautiful area and was surprised to find out that the Treasurer is quite popular down there. I was just doing a checkup in Delhi. I did not get to Earl's Shell, but I knew if I did, I would get some really firsthand information. I guess St. George probably does not have a council. Does it?

Hon. R. F. Nixon: No, South Dumfries.

Mr. McCague: South Dumfries. We have places like Creemore, Stayner, Tottenham, Beeton and so forth, and in those municipalities one gets interest groups of very capable people who are interested in building housing for those who need it: assisted housing, low-rental, housing for handicapped, housing for seniors, rent-geared-to-income, all those. Yet every time a good proposal is put in to the ministry, there is some problem. Either the water and sewage infrastructure is not right, or they wonder about the capability of these people to operate a group of apartments, or they wonder about the need.

I have 72 people who, in one case, signed up for the questionnaire. The ministry experience is that probably 30 per cent of those will sign up when the facility is there. That is still in the neighbourhood of 30, so what is the matter with that? Why does the government fuddle-duddle with the money and these people do not get anything? I think the government's priorities are in the wrong place.

I am quite aware of the fact that the government I was a part of stopped the seniors' housing program, but that does not mean this government cannot start it up again. I think it was one of the best programs that we had. They are small apartments, granted, but—

Hon. R. F. Nixon: I did not know you had stopped that.

1620

Mr. McCague: Oh, yes. I did not stop it.

Hon. R. F. Nixon: I'll have to change that letter I've been sending out.

Mr. McCague: It is in the Treasurer's letter. He should not kid himself. Nobody missed that point. He never misses those points, but some time he is going to have to stop talking about the last 42 years and get on with the work he was elected to do. He cannot blame everything on the New Democratic Party now. It held his government up for two years. I do not mean they held the Liberals up with a gun, but they kept them off the floor.

Interjection.

Mr. McCague: Yes, "prop" is the right word. Thank you. They propped the Liberals up for two years, but now they have it all in their hands, so why do they not get on with it and do some of these things? I would not feel a bit annoyed if they took a program that we stopped and started it again. That is fair ball. It was an excellent program, and I commend it to the Treasurer's attention.

Why did the Treasurer not define for us some of the constraints that he is going to impose when he tabled these latest estimates? I think that would have been the appropriate thing to have done. The people who are responsible for education in the province, the people who are teaching and the people who are knowledgeable about his largess in terms of transfers are very upset by the minuscule amount he is doing.

The Treasurer is very careful to announce his 6.9 per cent, and that looks great on the surface, but what he has done is to say that the government must offer this program, this program and this program. When they divide that small pot up into all those programs, they really do not have a whole lot left. There is a bit of an anomaly there. The boards say they do not have enough money, they do not have anything left, yet I know everybody is pushing the Treasurer for school capital.

In areas I represent, in Simcoe West, Collingwood, Alliston, Tottenham and Beeton, the growth is phenomenal, and more so than in the area the Treasurer happens to come from. I know that he will tour my part of the riding if the event happens to be political. It would be nice to get the minister up there just to show him around.

He showed me through his riding one day. We were in a bus and he was telling me how

everything was so good there. There was just the proper amount of rain and the crops were growing great, but he had gone zooming along Highway 401 when he was driving his own car for a lot of years. Now he does not have to do that. When we got out off the bus and looked at the crops, they really did not look very good, did they? The Treasurer had to admit that. There was even water lying in them.

We do not have any of that up in our part of our country until we have the next flood, but I would like to take the Treasurer for a tour of one of the best parts of the province some day. I am sure he would want to do that now that his duties have been cut back and he does not have as many ministries as he did.

However, we will be supporting the motion. We will not deny the civil servants their salaries and we will not deny the transfers to the hospitals, to the school boards or to that big list the Treasurer tried to scare us with. But the one beauty of the list is that if anybody now wants to talk about any aspect of this motion that is before us, he has laid the groundwork for that. I just encourage the members to do so if they have any problems in their ridings.

The Treasurer could come up to Collingwood and give us money for that addition to the hospital we want. I know that he has assisted Barrie and Orillia, but I have to speak about my hospital in Collingwood. We need some money for that. If we had some money for the Collingwood hospital, if we had a bit more lottery money for various projects around the riding and if we had some more housing—

Mr. Laughren: I give you credit for being consistent.

Mr. McCague: Well, I am.

Mr. Laughren: You are being inconsistent.

Mr. McCague: That is true in this particular case, but we have to give them hell on the Treasury side and then hope the Treasurer will give us some money on his good-natured side. He is a bit of a Progressive Conservative in a lot of ways, but I know he has 95 members over there who are hard to satisfy. I think he has really passed up an opportunity to come closer to balancing the budget. He has record revenues, and I mean record; this is one thing he cannot deny. If there was ever a time when it would have been easier, at least, to come out with a balanced budget, he had the first opportunity—

Interjection.

Mr. McCague: No, not in my area it is not. That is what is killing me, the member is right. It is killing me.

But the Treasurer had a golden opportunity to balance the budget, one which he passed by. To be honest with the Treasurer, I do not have too much faith in the fact that he is going to find that \$350 million in constraints. I have a funny notion that when the end of the year comes, there is going to be sufficient revenue there to make it kind of look fuzzy enough that he hopes the opposition will not find what he really did and that the constraints are not there at all. He may—I have heard of this before—identify the constraints on, let us say, March 1 and give the ministries a little more money during March. I am not sure just what he will do, but I would not put it past him.

Mr. Laughren: I think you have headed him off at the pass.

Mr. McCague: Do you think I have headed him off? Oh, I doubt it very much.

Anyway, we will be supporting the Treasurer's motion to do all these things and not disappoint all these wonderful people, but maybe he could do a little better in his next budget, which we will look forward to in the spring.

Hon. R. F. Nixon: Just briefly, if I may, the honourable member will be interested to know that I get more criticism from trying to keep the deficit down than from having it too high. I am interested in that. Actually, the cash requirements as a proportion of our gross provincial product are as low as they have been in many, many years. So while it would be nice to have everything perfect and everything coming out to zero or some kind of positive balance, still a lot of people feel that what we are doing is just about right.

I am also interested to hear the honourable member's suggestion as to how to handle what he conceives to be a problem in getting the \$350 million in constraints. I have a feeling that his previous experience as Chairman of Management Board may have led him to suggest that I might do something that he would consider nefarious or heinous or somehow inappropriate. I must look into how that little procedure that he described works, because we may have to use it.

In fact, my colleagues in cabinet are extremely helpful in accepting their fair share of the allocation of constraint, but it goes on over the full budgetary period. You do not do it by big chunks and set it aside, like storing pieces of pork in a barrel or something like that. It has to be done in small amounts and with very careful administrative procedures so the Treasurer can properly announce at the appropriate time what the sum total of our efforts is.

We think we are going to achieve that goal without distorting the spending priorities of the province and still serve the community in a responsible and effective way.

Mr. McLean: Just a comment on my colleague's knowledge. During his comments, where he discussed very much in depth with regard to the Liberal financial record over the past three years, I did not hear him say very plainly—or did I hear him?—with regard to the \$35-billion budget that he has, where his revenues are up over 30 per cent; where his retail sales tax revenues have increased by 41 per cent; where in his personal income tax he has taxed the people of the province by an additional 59 per cent; where land transfer tax is up some 223 per cent; whereby revenues will be about \$450 million in that area this year. Overall, he has a total tax increase to the taxpayers.

Surely, the Treasurer should not have any problem paying the estimates he is wanting to deal with here today.

1630

The concern I have, which the member did not mention, is how tough the Treasurer is being on the people of this province by asking them to pay an extra 30 per cent, when the actual fact is they are only getting a four per cent or 4.7 per cent salary increase. Here, the Treasurer has taken 30-some per cent out of their pockets in the last three years. Some of these new members may not be aware of what he has done in the 1986 budget, but the taxpayers are. He should not have any problem in being able to pay these amounts that will be discussed over the next three days.

I just wanted to make sure for the record that people did know the Treasurer has taken a good, heavy increase.

Mr. Neumann: It gives me pleasure, as the newly elected member for Brantford, to rise in support of this motion for interim supply by the Treasurer. He is a colleague of mine in the House and is certainly well known in the community of Brantford. I am delighted that I have the opportunity to make my first speech in the House participating in a motion initiated by the Treasurer of Ontario.

Our community is a very vibrant community today, and I would like to take this opportunity to dispel the image it received during the recession period of the early 1980s, when we suffered a major dislocation in employment. Today things are considerably improved and we have diversified the economy to a great extent through determination and hard work, new investment

and recovery under the leadership of the Treasurer and the government we have in Ontario.

Our community is known for its innovation and entrepreneurship going back to the 19th century. At the turn of the century, it was one of the largest manufacturing centres in Canada; in fact the fourth-largest producer of exported manufacturing goods. It is also known for its innovation and inventiveness, the invention of the telephone and new types of farm equipment in the 1870s and, in modern times, the invention of the electron microscope by James Hillier.

Today this is represented in activities such as the small business centre in our community, partly sponsored by the government of Ontario and the city of Brantford to encourage initiative and innovation in our time, and companies such as Summit Engineering, which are involved in creating new types of manufacturing processes and equipment to improve the productivity of our manufacturers in Ontario.

The traditions of the neighbouring riding represented by the Treasurer, the reformed Liberal traditions of many decades, are well known. Perhaps some of my colleagues in the opposition parties here, in thinking about Brantford, do not think of those same Liberal traditions. Certainly, I follow in the footsteps of names like Phil Gillies, Mac Makarchuk and Dick Beckett, and they made a considerable contribution to this House and a considerable contribution to our community. However, they did represent the Conservative Party and the New Democratic Party in their respective areas.

I would like to point out that despite the traditions of the past 20 years, the city of Brantford, and previously the town of Brantford, in the ridings it was chosen to fall into in its representation since Confederation, has a very long Liberal tradition; in fact, in 65 of the 120 years since Confederation, it has elected Liberal governments. Of the 39 elections, 21 were won by Liberal candidates. Indeed, even if you look at the 42 years of the most recent Tory rule, in 19 of those 42 years it was represented by a former colleague of mine, George Gordon, who was a compassionate, caring individual who represented the people of Brantford very well.

I would like to add to this Liberal tradition and point out to the House that we have before us a motion by the present Treasurer. I would like to mention that the very first Treasurer of Ontario was in the cabinet of John Sandfield Macdonald and he was the member for West Brant, a man by the name of Edmund Burke Wood. So we are following a good tradition in the Brant area.

Also, I would like to point out that we have the distinction of having Harry Nixon, the provincial Premier for a time, from our area. In the city of Brantford, we were at one time represented by a provincial Premier, none other than Arthur Sturgis Hardy, the member for South Brant, which included the town of Brantford. He served in this Legislature for more than 26 years and during his time was responsible for bringing in a lot of progressive legislation. He served as Premier from 1896 to 1899, succeeding Sir Oliver Mowat.

He was elected and served for more than a quarter of a century, and served in several cabinet positions. During his more than 25 years in this Legislature, he introduced 150 bills, some of which were involved in improving the efficiency of the divisional courts and creating provincial parks, such as Rondeau and Algonquin.

The long Nixon tradition in our area, near Brantford, started in 1919, when the United Farmers of Ontario sent Harry Nixon to this Legislature. In that same year, the people of the city of Brantford elected Morrison Mann MacBride as a Labour member. He served for four terms in this Legislature, two as a Labour member, one as an independent and then in 1937, joined the Mitch Hepburn cabinet as Minister of Labour as an independent Liberal.

These are some of the people who served as part of the Liberal tradition in our community. I am proud to continue that tradition in my representation here in the Legislature.

In this debate today on interim supply we are approving the support of the Legislature for the Treasurer to continue providing the services, through the various ministries, which this province needs. This government has a commitment to getting things done and our community is in support of the reform programs of this Liberal government led by the Premier. We need to get on with transportation linkages, important post-secondary improvements, quality of education, affordable housing and many other programs which are going to be of benefit to the people of this province and to my community of Brantford.

I am proud of the leadership this government has shown over the last two and a half years and the commitment it has given to continuing this type of leadership to Ontario. The tradition of openness and accessibility and accountability is certainly reflected in the policies and programs of this government.

I could not help thinking as I was listening to the member for Simcoe West (Mr. McCague) talking about the need for expending more funds

and getting on with the program, that I hear also from the same group the need to reduce the deficit, eliminate the deficit. There seem to be considerable contradictions implied there.

1640

We need to get on and continue the pace of reform in this province. Many areas cry out for reform and for improvement, and as we prepare for the coming decade of the 1990s, leading us into the 21st century, I am sure we can count on the continued leadership of the Liberal Party in this province to provide the type of reform and improvements that we need.

I am in support of the motion. I believe that while it is for a short period of time that supply is being requested, the programs supported by these funds reflect the broad, general direction this government has shown in improving the quality of life, in addressing the needs of the people of this province in a sensible and rational way and in being very, very sensitive to the needs of those less fortunate.

Thank you, Mr. Speaker, for allowing me this opportunity to address the House this afternoon and to say why I am proud to represent the people of my community in this Legislature. I pledge to represent Brantford with distinction and dignity and to bring to the attention of this House with forcefulness the needs of our community.

Mr. Laughren: May I first congratulate the member on his maiden speech in this assembly. He picked an appropriate topic on which to do it.

I just had a question of the member. I was very impressed with his knowledge of Liberal traditions in the province. The only question I had for him is whether or not he could tell us if he did his research on the Liberal traditions before or after he switched parties and joined the Liberals.

Hon. R. F. Nixon: Perhaps I could put a question to the honourable member, who is going to be responding to the first question. When he was doing his research, did it go so far, for example, as to find out that one of his estimable predecessors, also a former well-respected mayor, Morrison Mann MacBride, had also moved in his political philosophy from a rather benighted and restricted approach to one of burgeoning liberalism of a type that was found to be in the best interests not only of the taxpayers of Brantford but also of the people right across the province?

Mr. McCague: I thought that my comments annoyed the member for Brantford (Mr. Neumann), so I thought I should explain the scenario to him. I would have thought that if the Treasurer

had not been so anxious to get another almost 10,000 civil servants around him, he could have put that money towards having no deficit and still, at my insistence, have had the money to do a few programs in my riding that I would like to see.

The Treasurer mentioned, and it is a jazzy figure, the relationship of the revenue today to the deficit. I might be wrong, but I have often heard the figure that in Mr. Frost's early days as Premier of this province, the deficit was equal to between three and four years' revenue. That was the total deficit. I would have told people in 1984 that the total deficit was now less than one year's revenue.

I see the Treasurer has picked up on that and is using it to his advantage still.

The Acting Speaker: Are there any further questions or comments? If not, does the member for Brantford wish to reply?

Mr. Neumann: Yes, for a few moments, Mr. Speaker. First of all, with respect to the question about the switching of parties, I anticipated that, on my first occasion to rise in the House, someone from the official opposition might rise with this question, and I am pleased to have the opportunity to answer it.

I was attracted to the Liberal Party in this election by the openness, accessibility and reform tradition which was exemplified by the Premier as he served the province. I found an openness to reform within the Liberal Party more refreshing than my experience in the previous party I had been in.

While I could argue on a technicality that I did not switch parties because I had not been involved in a political party and had served the people with distinction as mayor and on the council for 10 years in a nonpartisan fashion, when I was approached by my honourable friend the Treasurer, by a local riding association and by the Premier, I certainly looked on this with great favour.

The helpfulness this government has provided to my community and the reform package which has been put forward to provide leadership for this province into the 21st century attracted me to the Liberal Party, and I am not in any way ashamed of that. The honourable member who asked the question should start asking other questions as to why other members of his caucus also saw that reform tradition in the Liberal Party and were attracted to it.

Hon. R. F. Nixon: I appreciate the comments made by the honourable members. There was a reference made by the member for Nickel Belt

(Mr. Laughren) to our approach to the matter of trade. It is worth reiterating that the government, along with everybody else in the province, really is very anxious to improve our trade, not only with the United States but also with our other trading partners.

I believe that is one of the outstanding reasons why the Premier has emphasized our position vis-à-vis the General Agreement on Tariffs and Trade, which he feels is the healthy alternative to the present trade deal of which he and the government are critical in the light of its effect on this province and, to an important degree, its effect on Canada.

The member for Nickel Belt also talked about government procurement. That was also of interest in the trade deal that has been initialled by Washington and Ottawa and that is so much under discussion. Government procurement on a broader scale is, of course, extremely attractive to manufacturers and people who offer services in Ontario. Even though that is a part of the deal, it is still substantially restricted.

One of the interesting things that came up at the first ministers' meeting at the end of last week was the need for us to set aside those barriers among the provinces of Canada so that things like government procurement are not going to be artificially skewed in the availability of people to perform services and provide material for the provincial governments.

We are hoping that aspect having to do with procurement is going to improve our ability to compete in this province. Essentially, though, procurement has to be based on the tendering process, which is extremely important if we are going to be able to face the taxpayers with the contention that we are handling their money, our tax revenues, in a way that is fiscally responsible.

The member for Simcoe West mentioned a number of things of significance and the inadequacies of some of the public service offices. He particularly mentioned the change-of-name difficulties. It is something that I guess is bound to happen. Delays should not happen, and I will bring that to the attention of my colleague the minister and he can follow it up.

The member also referred to the need for housing programs that are better financed and better organized. In both instances, we have shown that the administration is strong and improving. As far as financing is concerned, the allocations for housing have gone up by about 37 per cent over the last year. The difficulty, which has been pointed out in question period on a number of occasions, is to get this money into

proper allocation and get the housing units readily available.

1650

I am glad the honourable member specifically mentioned programs for seniors in the areas not in the large metropolitan areas. I would agree with him that I do not know of any particular, specific program, other than the provision of sewage disposal services, frankly, that has had more of an impact on the smaller rural communities. It has really meant that seniors, our own parents and soon to be ourselves, have not had to make arrangements to leave our own community so that we could live comfortably on our restricted pensions in the future. I really do agree with him that anything that is going to foster a continuation and even strengthening of the provision of senior citizens' housing should be supported.

I appreciate the comments made by the honourable members. We will be returning for additional supply before we leave at Christmas, and at that time it is my intention to ask the House to approve supply to the end of the fiscal year.

Motion agreed to.

ONTARIO LOAN ACT

Hon. R. F. Nixon moved second reading of Bill 11, An Act to authorize the Raising of Money on the Credit of the Consolidated Revenue Fund.

Hon. R. F. Nixon: The 1987 Ontario Loan Act will provide the government with the authority to borrow up to \$1.6 billion for provincial purposes. These funds will be used to meet financing requirements, including the repayment of the principal of maturing debt.

The primary source of borrowing under this act will be the teachers' superannuation fund. Provision is also made for the government to borrow from the Canada pension plan investment fund or the public capital market, should that be appropriate. The province is currently issuing Treasury bills and intends to continue tenders at current levels. The act also provides that any unused borrowing authority will lapse on September 30, 1988.

I should just say before I resume my seat that the date of September 30, 1988, is well beyond the end of the fiscal year but it gives an opportunity for continuity in the borrowing authority, while any subsequent loan acts may be debated by this House. The authority some years ago did not lapse, and I can remember the discussion in the House that resulted in the government of the day deciding that the bill

ought to have a provision that the authority would lapse after a reasonable period of time.

There is some additional information I might just put to the House as I introduce the bill. The \$1.6 billion that is referred to is the smallest borrowing authority that has been requested since 1979. During the difficult years in the early 1980s, the borrowing authority had to be expanded as the cash requirement went up substantially so that the government of the day could meet its commitments under different economic circumstances. As a matter of fact, in 1983 the bill that was carried at that time was for \$3.7 billion, more than double the amount that is requested now.

The borrowing program of the province is reasonably well known. It has been a number of years since we have gone to the public markets for our requirements, except for the guarantees under Ontario Hydro, and even the utilization of the funds available from the Canada pension plan is not required since there are sufficient funds from the contributions paid to the teachers' superannuation plan to meet, it is expected, almost all of our borrowing requirements during this year.

The interest payable to the teachers' superannuation plan is established on a formula which is, in my view, reasonably generous. Certainly for the last few months it has been an interest rate substantially higher than we could have paid if we had simply gone to the public market, but of course these funds go into the teachers' superannuation plan, and its benefits are well known; it is a reasonably generous plan, although the teachers and the government negotiate on a regular basis for certain improvements.

The Canada pension plan moneys, which would normally come to us under the agreement, I think established in 1963, are not required. Even there, the interest payable would be at least as high as, if not higher than, we would pay on the open market. Any capital that is available in the Canada pension plan that would normally come to Ontario that we do not use is offered to Ontario Hydro, and we borrow it on their behalf, if they can use it; but they too can borrow more cheaply on the open market. So those moneys are left with the government of Canada to finance its own cash requirements.

It is interesting that even the government of Canada could borrow on the open market at a rate higher than the rate that is established to be paid into the Canada pension plan fund. But naturally that is internal debt and so that is not a matter of serious concern, other than for bookkeeping

purposes, I suppose. Once again, I ask the honourable members, having given consideration to this bill, which is a routine bill but a very important one, for their favourable consideration.

Mr. Laughren: I wonder if there is a reason why the Treasurer did not tell us who would not benefit if we did not support this.

Hon. R. F. Nixon: If we were not able to borrow these funds, it would be difficult for us to continue with the budgetary plan, which I hope and expect is going to be the basis of our economic operation until the end of the fiscal year. That is kind of a weird question, actually.

Mr. Laughren: I do not know why the Treasurer would think it was a weird question. In the debate on the supply motion the Treasurer took some time to tell us who would not get paid if we did not pass it, and this time I noticed he omitted to do that.

These funds are basically deferred earnings by people, not just in Ontario but in Canada, and so there is every reason why the Treasurer should have to come before this House and tell us what his plans are. I noticed in the explanatory notes that there is a reference to the fact that the borrowings would come primarily from the Canada pension plan and from the teachers' superannuation fund, as opposed to the public capital market. I wonder, when the Treasurer is responding, if he could be a little more specific in terms of the amounts of money, or if he knows that at this point.

Since we are dealing with public funds here, which these pension plans certainly are, I think the Treasurer could tell us in a more specific way some of his plans for expenditures. He has been very vague. When he made his economic statement a couple of weeks ago, there was not much of a hint as to what the Treasurer's plans were. I think we have a right to know more than he is telling us. He is being very shy, and it is not in character for the Treasurer.

Mr. McGuigan: It's a sign of good government.

Mr. Laughren: Well, good government means open government, as the Premier (Mr. Peterson) has been known to say, and I think the Treasurer is not being particularly open with us. There is a sense out there in Ontario now that people want to know a little more about what the plans of this government are. For example, one of the organizations that is very close to me—it is so close to me I cannot find its name—the

Northern Ontario Chamber of Commerce, has sent in a motion:

1700

"Be it resolved that the Northern Ontario Chamber of Commerce urges the Premier of Ontario"—we know the Premier does what the Treasurer tells him, so we could substitute "Treasurer" for "Premier" there—"to take the necessary steps binding the government"—I do not know who would want to bind a government that was bound up, but anyway—"to formulate a provincial vision within which northern Ontario has a viable and equitable future; and that the responsibility to formulate and co-ordinate a strategic plan of action for economic development to be ready for public discussion and input within a year."

I think that is a responsible, very serious and reasonable request that the Northern Ontario Chamber of Commerce has put. What they are really saying is: "It is time that the government came clean and told us its plans for northern Ontario. You have made a lot of talk. You have had two conferences up in northern Ontario"—

Interjection.

Mr. Laughren: One last year, yes. I heard good reports about it.

There was one last year in Sault Ste. Marie and one this year in Thunder Bay. So far, though, we are not getting much in the way of specific plans for development of northern Ontario. We had a promise in the election campaign for some more money for highways. The throne speech even mentioned a particular bypass in Sudbury, as a matter of fact.

That is fine but that is hardly economic development any more than the transfer of civil servants from one part of Ontario to another is. I do not think even the Treasurer would call that an economic plan.

Hon. R. F. Nixon: Yes, I would. There will be 1,100 permanent jobs. Who else is going to do that?

Mr. Laughren: The north has not said yet that it is going to accept these civil servants.

Hon. R. F. Nixon: Oh yes, they are.

Mr. Laughren: I think I can speak for the north when I say that they will.

The Northern Ontario Chamber of Commerce, I think most appropriately, is saying to the Premier: "What have you got in mind for northern Ontario? Where do we fit in the grand plan for Ontario? Is there a grand plan for Ontario, and does northern Ontario fit into it?"

There has been a lot of talk over the years and a lot of ad hockery, but to this day there is an alienation in northern Ontario. I am sure northern members from other political parties would agree that there is alienation in northern Ontario and a growing expectation that governments will put an end to that. But it is not going to be done by sitting on the sidelines and simply having conferences. There has to be some concrete action taken.

The Northern Ontario Chamber of Commerce is saying it wants to know what it is. They want it out there for debate. They are being very responsible in terms of time. They are saying "that the responsibility to formulate and co-ordinate a strategic plan of economic development to be ready for public discussion and input within a year."

The government now has two economic conferences behind it. They have had input from the northeast and the northwest. Surely to goodness, it is not asking too much that within a year there be a plan laid before people in northern Ontario and in this Legislature so we can determine just what plans the government has. Right now, there is a sense that, aside from the movement of the civil servants to places like Thunder Bay, the Sault, Sudbury and North Bay, the government is being rather vague and indeterminate about its plans.

Most people in northern Ontario recognize that moving the civil servants to the north is a good move—we in this party called for that and supported it, and we are not quibbling about that at all—but nobody is pretending that is the answer to economic diversification or economic development in northern Ontario or an end to regional disparities in regard to northern Ontario. We await with some interest the Premier's response, which I assume the Treasurer will draft, to this request from the Northern Ontario Chamber of Commerce.

Hon. R. F. Nixon: I would just say in response to the honourable member's specific comment that the pool that develops from the teachers' contribution to their superannuation fund in this year is expected to be \$1,625,000,000, so it is a little bit bigger than even we can take up. By law, we have to take it all and it will simply be taken into our—what do we call them?—liquid reserves.

I should also say, since I have another few seconds, that the blinding vision the honourable member is recommending on behalf of his chamber of commerce friends is interesting, I suppose, because during the election campaign

the Premier, I believe, brought a very visionary approach to policy, particularly in northern Ontario. He made a commitment of time and philosophical effort to exposing in northern Ontario the views of the Liberal Party. While we might have done better, we did not do badly. Most of the people in the north supported his leadership and his visionary approach to northern development in a rather effective way.

The honourable member was good enough to refer to the northern development conferences, last year in Sault Ste. Marie and the one just completed in Thunder Bay. Although I was not able to attend, my colleagues who were there said that it was outstanding and that the people felt they had a direct contact to open government and that the ministers there were responsive. I have already talked to a number of my colleagues who have indicated the role the Treasury would play in this, not so much in dollars as in moral support, which the honourable member knows is extremely important in this regard, although there will be many dollars involved as well.

Mr. Laughren: For the second time today, we have heard a minister of the crown indicate under questioning, "Things must be all right; look at all the members we have." The Minister of Labour (Mr. Sorbara) did it during question period when he was asked about a specific policy. The Treasurer now says, "You can talk all you like about northern Ontario, but look, we did pretty good up there, you know."

Hon. R. F. Nixon: I believe in democracy.

Mr. Laughren: Of course. I believe in democracy too. But if the government is going to start falling back on the number of members it elected this past election as an answer to problems in the province, then it will not elect nearly so many members the next time, and many of the people I see sitting across the floor and to my left will be one-trippers, as we call them around here. But that is not a bad experience to have.

Mr. Sterling: I want to say to my colleague from the north that if he does not think there is a vision about the north, he should come to the east. He will see not even an attempt to put forward a vision in terms of eastern Ontario. We have not had the same benefit of these economic conferences put on by the government.

Actually, there has been a conference in the last two weeks, which my colleague, who is with us, the member for Stormont, Dundas and Glengarry (Mr. Villeneuve) went to—he is also the member for East Grenville; I represented that area before, so I cannot forget those people—

expecting to see hordes of new Liberal MPPs. There were none.

Mind you, the year before, going into the election period, we found very many Liberal candidates. We had two Liberal cabinet ministers there, all attentive and hearing about the problems of eastern Ontario. I guess what happened is that they decided to reject what was found a year ago, because in the throne speech of last spring, the budget speech of last spring and the throne speech of this fall, mention of eastern Ontario was almost lacking. The only thing we heard was a regurgitation of how they were going to build Highway 416.

This debate is about an act that is going to give the government the authority to borrow \$1.6 billion. This government needs to borrow \$1.6 billion. I thought they always argued that they were going to have a deficit of less than \$1 billion, yet they are coming here and asking us for the right to borrow \$1.6 billion. That means they are spending \$600 million on new office staff and new limousines for those new ministers and all of those kinds of things.

1710

I can understand the rhetoric that was carried on during the election, but when we got the second quarterly report from the Treasurer with regard to what has happened in the second quarter of 1987-1988, which actually is the period of time during the period of the election—July, August and September—we found that this government collected an extra \$355 million.

Hon. R. F. Nixon: Oh, no; that's what we expect to collect over the whole year—extra.

Mr. Sterling: OK, they expect to collect \$355 million extra this year, the principal amount coming from retail sales tax, a nonprogressive tax; but what are they expecting to do with that \$355 million? Are they going to pay down the debt? Are they going to try to balance the budget? Are they going to try to lay a little away for the time when we may be headed for a recession, when we are going to need that money in order to help out our people in Ontario?

No, they have not done that at all. They are projecting, of the \$355 million they will have as extra money this year, that they are going to spend \$348 million of it, so they have \$7 million out of \$355 million to pay down the debt.

That has been a trademark of this government. As we know, over the past two to two and a half years government revenues have risen by almost a third, 32 per cent, and the expenditures of this government have risen just as fast. They came into government with a deficit which was a little

higher than they have now, but they have an additional \$9 billion to almost \$10 billion more than they had when they got here two and a half years ago with which to try to attempt to do something meaningful about the deficit in this province. All they have taken it down by is less than \$1 billion.

I really feel we should probably vote against this bill because there is no excuse for this government to be operating at a deficit at this time. If they had been prudent with their money, if they had been careful with their money, they could have stayed with an increase in expenditures not exceeding inflation by more than twice the amount and probably could have come to this Legislature at this stage in time, if they had been prudent, and not needed this bill to borrow money at this time.

I know this is usually a matter of just carrying this piece of legislation through, but because of the tremendous increase in revenues of this government, I think it should be pointed out to the Treasurer that this party is not satisfied that he has not balanced the budget at this time.

The Acting Speaker (Mr. Morin): Questions and comments?

Hon. R. F. Nixon: If I might make a comment, the member makes a good point that it would be nice if the budget were balanced, but I just want to point out to him that this year we are committing well over \$2 billion in capital purchases in construction. These are university buildings you can walk in and roads you can drive on and dams that hold water back. They are not some ethereal commitment of capital for accounting purposes.

We are borrowing less than \$1 billion in support of our funding mechanism. It seems to me that it is quite a rational approach, one that most businesses would envy; not that I feel government has to be run, so to speak, like the corner store, because we have much broader social responsibilities than just a profit.

I would also like to point out, for example, that in 1983—was the member in the government that year?

Mr. Sterling: Yes.

Hon. R. F. Nixon: He was doing freedom of information then.

In 1983, the cash requirement was \$3.7 billion, which if you were to convert to 1987 dollars would be \$4.2 billion, which is more than \$500 per capita. This little lending bill is only \$160 per capita. I wish it were smaller but it is better than it was. That is what Liberals believe

in, the ultimate perfectibility of mankind, and we are moving in that direction.

Mr. Sterling: To try to compare 1985, 1986 and 1987 to 1983 is really sleight of hand. In fact, the Treasurer admitted to the media not two or three weeks ago that had he been the Treasurer in the Conservative government—God forbid—he would have undertaken the same spending practices the Conservative government did at that time. So for him to now stand up and criticize something he has—

Hon. R. F. Nixon: You were criticizing me.

Mr. Sterling: I think we have valid reason for criticism at this time. When he took over the Treasury, he had revenues of \$26 billion. Now he has about \$35 billion or \$36 billion. Two years, and unfound prosperity.

Hon. R. F. Nixon: That's called good management.

Mr. Sterling: He has revenue but he sure is spending it quickly. What is going to happen when we have a bit of a slump or a slowdown in the economy?

With regard to the \$2 billion he spends in capital, that has always been included, as the Treasurer knows, as an expense in the government expenditures. It has never changed. He also knows that he does not get an opportunity to write off the expenses as he would in terms of depreciating an asset in the future.

The last thing I must say to the Treasurer is, \$2 billion in capital, great—

Hon. R. F. Nixon: No, it's \$2.6 billion.

Mr. Sterling: It is \$2.6 billion? That is even better. How about a little in eastern Ontario? How about a little for our schools in the Carleton Board of Education area? We got 15 per cent of what we asked for last year. The Toronto area got anywhere from 50 to 100 per cent of what it asked for. It is time we were treated fairly in eastern Ontario. I will continue to mention it until we are.

The Acting Speaker: Do any other members wish to participate in this debate?

Mr. Neumann: Having got my feet wet with my maiden speech, I felt I could rise a second time and get into the mood of things here.

I would like to commend the member for Brant-Haldimand (Mr. R. F. Nixon), the Treasurer, on his bill. Having just completed a little over a decade of experience on municipal councils, I must say that this Legislature, the province of Ontario, the government of Ontario, requires municipalities to balance their budgets every year. That does not mean you cannot go out

and borrow money. You go out and borrow money for capital works. But on the operating budget, you balance the budget. This Treasurer has achieved that at the provincial level.

I always used to think it was a bit hypocritical for provincial and federal governments to impose balanced budgets on all local governments and not do it themselves, but in this case we have a Treasurer who believes in fiscal responsibility, who has balanced the budget on the current account. The borrowing that is being done is for very good capital projects.

I am getting a little tired of these Conservatives to my right who continually rise up day after day in this Legislature suggesting the government should be spending more money here, there and everywhere, including the member for Carleton (Mr. Sterling), who just said we should be spending more money in eastern Ontario on capital works, and at the same time suggested the deficit should be reduced.

1720

There are many needs throughout Ontario and the government must balance all of these requests for funding in a sensitive manner, and at the same time, do this within keeping to principles of fiscal responsibility. I want to commend the Treasurer for doing a very fine job with that balancing act. The members opposite should recognize that they cannot speak out of both sides of their mouth and continually ask for more things for their riding, more things to be done; ask, "Why is the government not spending more money?" and then say, "Balance the budget, balance the budget" at the same time.

The Acting Speaker: Questions and comments?

Mr. Sterling: If this member is going to get tired of our saying a few things about this government and how irresponsible it is with regard to fiscal management, he is going to get a lot more tired over the next four years.

I can only say this to him and to the Legislature. We in eastern Ontario do not want any more than any other part of the province, but I know you, Mr. Speaker, represent the same area as I do in terms of the Carleton Board of Education and the Carleton separate school board, and never have two boards of education which are expanding, bulging at the seams, ever been treated more poorly by any provincial government over the last 15 or 20 years. I will go back in history and show that to anybody in terms of the figures. Now I do not know whether the Speaker would agree with me, because he sits on the other side of this Legislature. All we want in

eastern Ontario is a fair shake out of the \$2.6 billion; that is what the government is going to spend.

Secondly, while the Treasurer says that this \$2.6 billion is being spent on new buildings, he is not telling members about the other side of the equation; that is, when the buildings break down, when the roads break down, as they are doing across Ontario, if he were being fair, he would be depreciating that side of the equation. I wonder whether there is not more depreciation going on at this stage of the game, particularly with regard to our highway system, than there is added capital that is being put back in.

So they can play with the books all they want, and we have seen a Treasurer who is quite good at doing that over his past budgets, but I want to say that we on this side of the Legislature want responsible fiscal management and will continue to demand it regardless of what government members say.

Mr. Neumann: I commend the member for Carleton for standing up and bringing to the attention of this House the needs of eastern Ontario. I think it is the duty of every member to do that. The only thing I was pointing out is that there seems to be a bit of a contradiction here, perhaps a considerable contradiction, in continually rising in this House and asking the government to spend more money and then harping on getting the deficit down. The deficit is eliminated other than for capital works. That is a fiscally responsible approach to the management of this province, and this government is sensitive to the needs of all regions of the province.

Hon. R. F. Nixon: I appreciate the comments made by the honourable members. As usual, they were cogent, to the point and helpful. I always like to hear from the chamber of commerce—at least, their views as filtered through the socialist critic. It will be interesting to compare them with their actual recommendations.

But these matters are important. Naturally, this bill does not allocate the expenditure particularly. The program was put forward in the budget and my colleagues in the ministry from time to time make appropriate announcements. So I appreciate the fact that these bills were passed in a timely fashion, that no cheques had to be stopped or anything like that and that we will be able to get on with the legislative programs starting tomorrow.

Motion agreed to.

Bill ordered for third reading.

Hon. R. F. Nixon: I wonder, Mr. Speaker, since we have a few minutes remaining if it might

be appropriate, and with unanimous consent, that we simply give the bill third reading at this time.

An hon. member: No.

Hon. R. F. Nixon: OK, we will not do it. Can we do it anyway?

The Acting Speaker: Is there unanimous consent?

Hon. R. F. Nixon: Do we need unanimous consent? Never mind, we can do it another day.

The House adjourned at 5:26 p.m.

ANSWER TO QUESTION IN ORDERS AND NOTICES

FACULTY RENEWAL PROGRAM

1. Mr. R. F. Johnston: Would the Minister of Colleges and Universities provide an up-to-date report on the use of the faculty renewal fund by the universities: especially, how many new faculty have been hired, how many new positions have been created, how many women are among the appointees, and what the overall increase in faculty numbers has been as a result of the faculty renewal program? [Tabled November 10, 1987]

Hon. Mrs. McLeod: The faculty renewal program is intended to increase the proportion of young faculty and, in particular, women faculty in universities and related institutions. It is not intended to increase the total number of faculty in the institutions.

Of the 247 positions approved for 1986-87, the institutions have reported that 214 people have been hired. Of these, 120 (or 56 per cent) are women.

ALPHABETICAL LIST OF MEMBERS*
(130 seats)

First Session, 34th Parliament

Lieutenant Governor: Hon. Lincoln M. Alexander, PC, QC

Adams, Peter (Peterborough L)
 Allen, Richard (Hamilton West NDP)
 Ballinger, William G. (Durham-York L)
 Beer, Charles (York North L)
 Black, Kenneth H. (Muskoka-Georgian Bay L)
 Bossy, Maurice L. (Chatham-Kent L)
Bradley, Hon. James J., Minister of the Environment (St. Catharines L)
 Brandt, Andrew S. (Sarnia PC)
 Breagh, Michael J. (Oshawa NDP)
 Brown, Michael A. (Algoma-Manitoulin L)
 Bryden, Marion (Beaches-Woodbine NDP)
 Callahan, Robert V. (Brampton South L)
 Campbell, Sterling (Sudbury L)
Caplan, Hon. Elinor, Minister of Health (Oriole L)
 Carrothers, Douglas A. (Oakville South L)
 Charlton, Brian A. (Hamilton Mountain NDP)
 Chiarelli, Robert (Ottawa West L)
 Cleary, John C. (Cornwall L)
 Collins, Shirley (Wentworth East L)
Conway, Hon. Sean G., Minister of Mines (Renfrew North L)
 Cooke, David R. (Kitchener L)
 Cooke, David S. (Windsor-Riverside NDP)
 Cordiano, Joseph (Lawrence L)
 Cousens, W. Donald (Markham PC)
 Cureatz, Sam L. (Durham East PC)
Curling, Hon. Alvin, Minister of Skills Development (Scarborough North L)
 Daigeler, Hans (Nepean L)
 Dietsch, Michael M. (St. Catharines-Brock L)
Eakins, Hon. John F., Minister of Municipal Affairs (Victoria-Haliburton L)
Edighoffer, Hon. Hugh A., Speaker (Perth L)
 Elliot, R. Walter (Halton North L)
Elston, Hon. Murray J., Chairman of the Management Board of Cabinet (Bruce L)
 Epp, Herbert A. (Waterloo North L)
 Eves, Ernie L. (Parry Sound PC)
 Farnan, Michael (Cambridge NDP)
 Faubert, Frank (Scarborough-Ellesmere L)
 Fawcett, Joan M. (Northumberland L)
 Ferraro, Rick E. (Guelph L)
 Fleet, David (High Park-Swansea L)
Fontaine, Hon. René, Minister of Northern Development (Cochrane North L)

Fulton, Hon. Ed, Minister of Transportation (Scarborough East L)
 Furlong, Allan W. (Durham Centre L)
Grandmaitre, Hon. Bernard C., Minister of Revenue (Ottawa East L)
 Grier, Ruth A. (Etobicoke-Lakeshore NDP)
 Haggerty, Ray (Niagara South L)
 Hampton, Howard (Rainy River NDP)
 Harris, Michael D. (Nipissing PC)
 Hart, Christine E. (York East L)
 Henderson, D. James (Etobicoke-Humber L)
Hošek, Hon. Chaviva, Minister of Housing (Oakwood L)
 Jackson, Cameron (Burlington South PC)
 Johnson, Jack (Wellington PC)
 Johnston, Richard F. (Scarborough West NDP)
 Kanter, Ron (St. Andrew-St. Patrick L)
Kerrio, Hon. Vincent G., Minister of Natural Resources (Niagara Falls L)
 Keyes, Kenneth A. (Kingston and The Islands L)
 Kozyra, Taras B. (Port Arthur L)
Kwinter, Hon. Monte, Minister of Industry, Trade and Technology (Wilson Heights L)
 Laughren, Floyd (Nickel Belt NDP)
 LeBourdais, Linda (Etobicoke West L)
 Leone, Laureano (Downsview L)
 Lipsett, Ron (Grey L)
 Lupusella, Tony (Dovercourt L)
 MacDonald, Keith (Prince Edward-Lennox L)
 Mackenzie, Bob (Hamilton East NDP)
 Mahoney, Steven W. (Mississauga West L)
Mancini, Hon. Remo, Minister without Portfolio (Essex South L)
 Marland, Margaret (Mississauga South PC)
 Martel, Shelley (Sudbury East NDP)
 Matrundola, Gino (Willowdale L)
 McCague, George R. (Simcoe West PC)
 McClelland, Carman (Brampton North L)
 McGuigan, James F. (Essex-Kent L)
 McGuinty, Dalton J. (Ottawa South L)
 McLean, Allan K. (Simcoe East PC)
McLeod, Hon. Lyn, Minister of Colleges and Universities (Fort William L)
 Miclash, Frank (Kenora L)
 Miller, Gordon I. (Norfolk L)
 Morin, Gilles E. (Carleton East L)
 Morin-Strom, Karl E. (Sault Ste. Marie NDP)

Munro, Hon. Lily O., Minister of Culture and Communications (Hamilton Centre L)
 Neumann, David E. (Brantford L)
 Nicholas, Cindy (Scarborough Centre L)
 Nixon, J. Bradford (York Mills L)

Nixon, Hon. Robert F., Deputy Premier, Treasurer of Ontario and Minister of Economics and Minister of Financial Institutions (Brant-Haldimand L)

Offer, Steven (Mississauga North L)

O'Neil, Hon. Hugh P., Minister of Tourism and Recreation (Quinte L)

O'Neill, Yvonne (Ottawa-Rideau L)

Owen, Bruce (Simcoe Centre L)

Patten, Hon. Richard, Minister of Government Services (Ottawa Centre L)

Pelissero, Harry E. (Lincoln L)

Peterson, Hon. David R., Premier and President of the Council and Minister of Intergovernmental Affairs (London Centre L)

Philip, Ed (Etobicoke-Rexdale NDP)

Phillips, Hon. Gerry, Minister of Citizenship (Scarborough-Agincourt L)

Poirier, Jean, Deputy Speaker and Chairman of the Committees of the Whole House (Prescott and Russell L)

Pollock, Jim (Hastings-Peterborough PC)

Polsinelli, Claudio (Yorkview L)

Poole, Dianne (Eglinton L)

Pope, Alan W. (Cochrane South PC)

Pouliot, Gilles (Lake Nipigon NDP)

Rae, Bob (York South NDP)

Ramsay, Hon. David, Minister of Correctional Services (Timiskaming L)

Ray, Michael C. (Windsor-Walkerville L)

Reville, David (Riverdale NDP)

Reycraft, Douglas R. (Middlesex L)

Riddell, Hon. Jack, Minister of Agriculture and Food (Huron L)

Roberts, Marietta L. D., Deputy Chairman of the Committees of the Whole House (Elgin L)

Runciman, Robert W. (Leeds-Grenville PC)

Ruprecht, Tony (Parkdale L)

Scott, Hon. Ian G., Attorney General (St. George-St. David L)

Smith, David W. (Lambton L)

Smith, Hon. E. Joan, Solicitor General (London South L)

Sola, John (Mississauga East L)

Sorbara, Hon. Gregory S., Minister of Labour (York Centre L)

South, Larry (Frontenac-Addington L)

Sterling, Norman W. (Carleton PC)

Stoner, Norah (Durham West L)

Sullivan, Barbara (Halton Centre L)

Swart, Mel (Welland-Thorold NDP)

Sweeney, Hon. John, Minister of Community and Social Services (Kitchener-Wilmot L)

Tatham, Charlie (Oxford L)

Van Horne, Ronald G. (London North L)

Velshi, Murad (Don Mills L)

Villeneuve, Noble (Stormont, Dundas and Glengarry PC)

Ward, Hon. Christopher C., Minister of Education (Wentworth North L)

Wildman, Bud (Algoma NDP)

Wilson, Hon. Mavis, Minister without Portfolio (Dufferin-Peel L)

Wiseman, Douglas J. (Lanark-Renfrew PC)

Wong, Hon. Robert C., Minister of Energy (Fort York L)

Wrye, Hon. William, Minister of Consumer and Commercial Relations (Windsor-Sandwich L)

*The alphabetical list of members appears in each issue. Lists of the members of the executive council, parliamentary assistants and members of committees, brought up to date as necessary, are published in Hansard in the first and last issues of each session and on the first sitting day of each month.

CONTENTS

Monday, November 30, 1987

Members' statements

Social assistance, Mr. Allen 655

Douglas Downey, Mr. Pollock 655

Federal-provincial relations, Mr. Tatham 655

Automobile insurance, Mr. Swart 655

Tourism industry, Mr. McLean 656

Chief Douglas Burrows, Mr. Callahan 656

Workers' Compensation Board, Mr. R. F. Johnston 656

Statement by the ministry

Pollution control, Hon. Mr. Bradley 657

Responses

Pollution control, Mrs. Grier 658

Pollution control, Mrs. Marland, Mr. Sterling 659

Oral questions

Education funding, Mr. B. Rae, Hon. Mr. Ward, Mr. R. F. Johnston 659

Workers' compensation, Mr. B. Rae, Hon. Mr. Sorbara 661

Education funding, Mr. Brandt, Hon. Mr. Ward 662

Skills training, Mr. Jackson, Hon. Mr. Curling 663

Canadian Security Intelligence Service, Mr. Hampton, Hon. Mr. Peterson 664

Skills training, Mr. Jackson, Hon. Mr. Curling 665

Pollution control, Mrs. Grier, Hon. Mr. Bradley 666

Rouge Valley, Mrs. Marland, Hon. Mr. Bradley 666

Pension funds, Mr. D. S. Cooke, Hon. R. F. Nixon 667

Greenacres Home for the Aged, Mr. Cousens, Hon. Mr. Sweeney 668

Pollution control, Mr. Lupusella, Hon. Mr. Bradley 669

Abortion services, Mr. Reville, Hon. Mrs. Caplan 669

Palliative care, Mr. Villeneuve, Hon. Mrs. Caplan 670

Petition

Therapy for abused children, Mr. D. S. Cooke, tabled 670

Motion

Estimates, Hon. Mr. Conway, agreed to 670

First reading

City of Toronto Act, Bill Pr56, Mr. Kanter, agreed to 670

Government motions

Select committee on constitutional reform, resolution 5, Hon. Mr. Peterson, Mr. Callahan,
Mr. Sterling, Mr. Eves, agreed to 670

Interim supply, resolution 1, Hon. R. F. Nixon, Mr. Laughren, Mr. McCague, Mr. McLean,
Mr. Neumann, agreed to 678

Second reading

Ontario Loan Act, Bill 11, Hon. R. F. Nixon, Mr. Laughren, Mr. Sterling, Mr. Neumann, agreed to	688
--	------------

Answer to question in Orders and Notices

Faculty renewal program, question 1, Mr. R. F. Johnston, Hon. Mrs. McLeod	694
--	------------

Other business

Chief Douglas Burrows, Mrs. Marland.	658
Answers to questions in Orders and Notices, Hon. Mr. Conway, tabled	670
Polls, Hon. Mr. Conway, tabled	670
Adjournment	694
Alphabetical list of members.	695

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of members of the Legislative Assembly of Ontario. Lists of members of the executive council and parliamentary assistants also appear at the back.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$16.00 per session, from: Sessional Subscription Service, Information Services Branch, Ministry of Government Services, 5th Floor, 880 Bay Street, Toronto, M7A 1N8. Phone (416) 965-2238.

LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday, December 1, 1987

The House met at 1:30 p.m.

Prayers.

MEMBERS' STATEMENTS

TRANSIT SERVICES

Ms. Bryden: I want to draw to the attention of the Minister of Transportation (Mr. Fulton) and the Minister of the Environment (Mr. Bradley) the fact that the Toronto Transit Commission is considering replacing its 103 trolley buses with diesel buses on the grounds that it would save \$3 million a year and provide a more flexible bus service.

However, there are important environmental and health effects that must be considered as well as potential savings. The Toronto medical officer of health, Dr. Alexander Macpherson, has said that the change would create a possible pollution hazard due to the toxicity of diesel fumes. Users of trolley buses praise the cleanness, the quietness and the use of a nonpolluting fuel as their major attractions.

In view of the fact that the province pays a substantial portion of transit costs in Metropolitan Toronto, I urge the Minister of Transportation and the Minister of the Environment to discuss the proposal with the TTC and urge that full consideration be given to the environmental, health and noise impact of such a decision. I also urge the same ministers to consider giving the TTC greater funding so that it can join the province in the goal of a healthier Ontario.

OVERCROWDING IN SCHOOLS

Mr. McCague: At one time, "cramming" was the trendy catchword that many Ontario students used to depict their mid-term study habits, but for the students of Simcoe county, "cramming" has adopted a new definition, compliments of the Ministry of Education. I am referring to the horrendous number of Simcoe county students who are being crammed into portable schools during a time when the government of Ontario is flogging blank promises of improving the student learning environment.

The fact is that the number of portables in Simcoe county has skyrocketed by over 100 per cent in one board since this government took

office. Since 1955, the number of portables used by the Simcoe County Roman Catholic Separate School Board has jumped from 52 to 102 while the number of portables housing the Simcoe County Board of Education students has climbed from 165 to 168.

This shocking statistic clearly illustrates the paper-thin promises made by this government. The government cannot expect improvements to this serious problem when it will not provide the capital. If we were to subject the Ministry of Education to a mid-term evaluation, its 1987 Christmas report card would be graded F for failure.

JOHN BATES

Mrs. LeBourdais: I rise this afternoon with a great deal of pride—and I use that word advisedly, as you will hear in a moment, Mr. Speaker—to pay tribute to John Bates, the president and co-founder of PRIDE, People to Reduce Impaired Driving Everywhere.

Mr. Bates, a constituent in my riding of Etobicoke West, was honoured last week by the Alcoholism and Drug Addiction Research Foundation for his efforts against drinking and driving. Mr. Bates and PRIDE have campaigned actively against drinking and driving throughout Ontario via government committee participation, publications and education programs in schools and universities alike.

Since its formation in 1982, PRIDE has established 15 chapters in major centres across the province and has worked closely with the addiction research foundation to highlight the dangers of impaired driving. I feel it is most important, as we approach the holiday season, to stress the importance of a program such as PRIDE and to warn all Ontarians against drinking and driving.

EDUCATION FUNDING

Mr. R. F. Johnston: Yesterday, Mr. Speaker, you asked my leader to withdraw the comment that the government had been misleading the people during the last election around its promises on education, having promised \$300 million in grants and now only giving \$62 million. Yesterday after the House, the Premier

(Mr. Peterson) referred outside to his campaign announcement, saying: "The first full year of implementation is three years from now. You check the words...we're doing exactly what we said we would do."

I am pleased to say that some members of the press did check his precise words. On August 6, he said to reporters: "Right away—I think we'll make a lot of progress in the next month or two and it will certainly be completed by next year." He then also said to someone from CBC Radio, "All of those programs are starting right away."

Mr. Speaker, I think perhaps you went beyond your bounds in asking a member to withdraw a statement alleging something that took place outside of this House and before this House and session ever took place, but I would certainly say that the evidence is very clear that the Liberal government promised one thing, specifically \$300 million this year for education grants, and only gave 20 per cent of that. The people of the province need to know that hoax was perpetrated on them.

CHILD CARE

Mrs. Marland: The child care system in Ontario is characterized by low wages, a shortage of available spaces, an absence of flexible programs and an uneven distribution of spaces. Only one eighth of the number of children that require assisted child care are receiving it.

Since taking office, the Liberal government has made numerous announcements adding up to hundreds of millions of dollars in child care promises, but then has tied these promises to the initiatives of the federal government, notwithstanding the fact that constitutional responsibility for child care rests solely with the provincial government.

In light of the federal announcement on a national child care plan, which is expected this week, I call upon the Minister of Community and Social Services (Mr. Sweeney) to act on those promises and immediately implement an adequate child care program at least for all Ontarians in all sectors of delivery.

MULTICULTURALISM

Mr. Fleet: I applaud the Ontario government for promoting multicultural policies and urge it to move forward by declaring Ontario an officially multicultural society. Ontario has undergone a fundamental change in recent decades. Our population is richly diverse. Fully 52 per cent of all Ontario residents are of backgrounds other

than British or French. Multiculturalism includes the right of each person to celebrate her or his own heritage, ethnicity and cultural traditions. It also includes the right to participate equally and fully at all levels of society. It is an appropriate time legally to entrench these rights.

Recognition of and respect for different cultures is a fundamental characteristic of Canada. The distinctiveness of provincial societies is part of the current constitutional debate. We are an officially bilingual country. Should this Legislature some day choose to declare Ontario officially bilingual, it would be a profound statement, an act of national unity. Similarly, the official recognition of multiculturalism would further symbolize our dedication to mutual tolerance and understanding. I again call on the government to declare Ontario officially multicultural.

1340

GOVERNMENT POLICIES

Mr. McLean: I want to know if the Premier (Mr. Peterson) will tell this House how much the people of Ontario are paying for skating lessons for members of his Liberal cabinet. Was the contract for this instruction put out for public tender and which skating school got the contract?

He seems somewhat more perplexed than usual. I can understand that, when his Solicitor General (Mrs. Smith) says the loophole in the law that allows Sunday shopping would be closed, according to one Toronto newspaper, and would not be closed, according to another. Later, in the Legislature, she further aggravated the situation by saying it could be closed.

The Minister of Housing (Ms. Hošek) says she will build more housing units per year than is humanly and mechanically possible. On education policy, the Premier said during the election campaign that within one year after forming the government he is going to spend hundreds of millions of dollars on more teachers, more classroom computers and reduced class size. Now he wants us to believe year one is year three in the life of his government.

If that is not enough figurative skating, how about his jelly-type promises for increased funding of skills development, when the Provincial Auditor's report tells him there is too much money? Instead of the red tie as a symbol of Peterson Liberals, I am afraid Ontario voters are seeing his symbol as a red herring. Can we expect his government to honour any of his election campaign promises?

STATEMENTS BY THE MINISTRY

RETAIL STORE HOURS

Hon. Mr. Scott: The intervention from the honourable member for Simcoe East (Mr. McLean) has driven me to my feet so that I can make a statement about the application of the Retail Business Holidays Act on Sunday, December 27, 1987.

The need for clarification arises from the fact that Boxing Day this year happens to fall on a Saturday. This means that most stores in Ontario will be required to close on Saturday, December 26, as well as on Sunday, December 27.

However, stores that employ fewer than eight persons and occupy less than 5,000 square feet will, under the act, be permitted to open on Sunday, December 27. This is because of the so-called Sabbatarian exemption in the act, which permits small stores to open on Sunday if they close on Saturday.

The purpose of this Sabbatarian exception, as it is called, as the Supreme Court of Canada made plain in the *Edwards Books and Art* case, is to reduce the impact of the legislation on those religious groups for whom Saturday is a Sabbath. Without such an exception, Saturday observers would have to close two days of every week, once because of their religion, the other because of the legislation. The Sabbatarian exemption puts them on an equal footing with other retailers by providing them with the opportunity to close on their Sabbath and yet remain open for business six days a week.

This discussion of the purpose underlying the Sabbatarian exemption illustrates that it will operate in an anomalous and unfair fashion on December 27 of this year.

The anomaly arises from the fact that the exemption is available to any store which closes on a Saturday and meets the floor-space and employee requirements. There is no obligation on retailers to demonstrate that their stores were closed on Saturday because of genuinely held religious beliefs. The exemption is structured in this way, as the Supreme Court of Canada explained in the *Edwards Books* case, so as to avoid the necessity of a state-conducted inquiry into religious beliefs. But this means that the exemption will be available to all small retailers on Sunday, December 27, even though they were closed on Saturday because of a statutory holiday, rather than for any religious purpose.

This will produce, I believe, serious unfairness on Sunday, December 27. A provision originally intended to lessen the impact of the act

on Saturday observers will now have the effect of conferring on one class of retailers a competitive advantage over all others. Stores which happen to meet the floor space and employee requirements of the Sabbatarian exemption will be permitted to open six days during that week, whereas most other retailers will be permitted to be open for only five days.

It is clear that the act was never intended to operate in this arbitrary and unfair manner. The Sabbatarian exemption was intended to place stores which observe a Saturday Sabbath on an equal footing with other stores. It was not intended to permit stores closing on Saturday because of a statutory holiday to enjoy the competitive advantage of being open an extra day during the week.

Given this serious and unintended inequality, the Ministry of the Attorney General has concluded that the Sabbatarian exemption in the act should be interpreted in a broader fashion on the weekend of December 26 and 27, 1987. Specifically, the ministry has concluded that the exemption should be available to any retailer who closes on Saturday, December 26, regardless of the size of the store or the number of employees serving the public. This interpretation will mean that any store which closes on Saturday, December 26, Boxing Day, will be permitted to open on Sunday, December 27. The crown will not proceed with charges laid against any retailer on December 27, if that retailer can establish that his or her store was closed the preceding day.

This interpretation will ensure an evenhanded application of the act on December 27 and avoid the anomaly arising from the fact that Boxing Day happens to fall on a Sunday.

A test based on this statement will be conducted in hearing room 1 at 3:30 p.m.

Hon. Mrs. Smith: Over the past several years, it has become readily apparent that there exists widespread concern about the current and future status of the Retail Business Holidays Act as it applies to Sunday closing. There has been considerable confusion as to the application of the law. For this reason, I would like to inform all members of the House of the result of the government's deliberations on this issue.

In recent months, the government has been giving careful and detailed study to the select committee's report on the Retail Business Holidays Act, which was brought forward last spring. As you are well aware, Mr. Speaker, the report contained a number of recommendations with respect to the present law.

Specifically, recommendations for change included the development of a provincial tourism exemption plan and related municipal plans, a ban on roping off as practised by larger stores to meet the current size restrictions for Sunday openings and increased penalties for contravention of the law.

Regrettably, the government has concluded after careful consideration that the recommendations of the select committee are unworkable. Any tinkering with the law tends to create more unfairness than it eliminates and adds to the degree of uncertainty and confusion that already exists.

For example, it would be virtually impossible to develop a provincial tourism plan which reasonably encompassed all facets of tourism across the province yet was not so broad that virtually all commercial activity would fall within the plan.

Similarly, there are contradictions in the ban on roping off, while endorsing restrictions on pharmacies, which could only be reasonably accommodated by further roping off.

To proceed with certain of the committee's recommendations, while rejecting others as untenable, would only perpetuate the problem of piecemeal adjustment to an act which, quite simply, has been overtaken by the times. Just as the tourism exemption in the current law resulted from the recognition that economic factors such as competition from other jurisdictions and the expectation of visitors could not be ignored, other societal pressures must now be accommodated. Demographic factors, such as the significant increase in the labour-force participation of single-parent and double-income families, have led many to call for a less restrictive approach to Sunday openings.

At the same time, it must be recognized that these circumstances vary enormously across the province. The factors affecting consumers and retailers in Hawkesbury or New Liskeard are quite different from those in Metropolitan Toronto and may require different approaches to the issue.

For all these reasons, the government has come to the conclusion that only a municipality itself can best address the appropriate solution in its locality. Municipal governments are in the best position to determine local needs and the problems inherent in ensuring that equity prevails with respect to retail store openings.

1350

Therefore, it is the intention of the government to introduce in the new year legislative changes

allowing individual municipalities to regulate Sunday openings. This is fully in keeping with the existing power dedicated to municipalities under section 211 of the Municipal Act, which allows municipalities to control shopping hours on all other days of the week. In this way, all Ontarians will be guided by Sunday opening rules which will better reflect their local conditions and attitudes.

The government believes that by announcing our intention to give municipalities an option on Sunday shopping, municipalities across Ontario will have an opportunity to consider their response and prepare for the change in the law. In the interim, the current law will continue to be enforced.

In those municipalities which embrace the Sunday opening options, consumers will clearly benefit from increased convenience, yet this must not be achieved at the expense of retail workers. The Minister of Labour (Mr. Sorbara) will shortly be addressing the issue of protections for workers which may be required.

In approaching this issue, the government had two choices: to continue by minor adjustments and amendments to carry on with a piece of legislation, which has resulted in a lessening of respect for the law; or to recognize societal change while accommodating local diversity and ensuring worker protection.

The government has chosen the latter.

WOMEN'S HEALTH SERVICES

Hon. Mrs. Caplan: Last March our government announced major initiatives to expand and enhance women's health services in this province. I am pleased to report to this House that we have been able to move quickly to implement these programs.

A women's health bureau is now functioning in the ministry and is responsible for promoting greater awareness of women's health issues. It is performing its task well and is taking an active daily involvement in the ministry's decision-making process.

Earlier this month my ministry held a very successful childbirth conference in Toronto. Outstanding speakers and representatives attended from across Canada, the United States and Europe. They participated in an exchange of information and ideas that will assist us in setting future directions of childbirth care in Ontario.

My ministry has been working in consultation with hospitals to develop a range of comprehensive services for women.

Today I am pleased to announce that a regional women's health centre, the first in the province, is to be established at Women's College Hospital in Toronto. The hospital will receive \$1.5 million in ministry funding for the centre, which is to provide a wide range of education, counselling and referral services to women in Metro.

The hospital is to proceed immediately on detailed planning to implement its proposal. The centre will have a staff of 45, including doctors, nurses, social workers, psychologists, health educators, ultrasound technicians and support staff. Women will be able to use the centre through self-referral or by the referral of a physician, health professional or community agency.

As a health education resource centre, it will become a central access point in the province for consultation on women's health services and offer a wide range of written and audio-visual information on reproductive health.

Services in the new women's health centre will include individual and group counselling in family planning and contraception, pregnancy and sexually transmitted diseases. The centre will offer physical examinations, pregnancy assessment and diagnosis and referral to other services.

Infertility counselling will be provided for individuals and couples experiencing this problem, which will include minimizing stress through one-to-one counselling and also through support groups.

A premenstrual syndrome education and support program will assist women to better understand the syndrome and ways to cope with the symptoms.

A menopause support program will provide counselling and treatment for those experiencing problems with this stage of life.

Services for pregnant women will include counselling on alternatives to abortion and support for single mothers.

Counselling and referral will be provided to women who are seeking therapeutic abortions. The centre will facilitate immediate access to one of several Metro hospitals co-operating in the regional service. These are Women's College, Toronto General, Toronto Western, Mount Sinai and Wellesley hospitals, all of which will receive additional ministry funding to allow them to meet their anticipated needs.

Other Metro Toronto hospitals that provide therapeutic abortion services will be given the opportunity to join the new regional referral

service. I want to commend these hospitals for their leadership in this important area.

Women's College Hospital has provided leadership in meeting women's health unequaled in other Ontario and Canadian hospitals. It was the first hospital in Canada to offer clinical opportunities for women physicians and plays a prominent role in academia. It introduced the first breast screening research program in the late 1950s, and it established the first perinatal unit in the province. Three years ago Women's College set up the first sexual assault treatment centre and was the first provincial hospital to offer educational outreach programs on women's health issues with the holding of large seminars at St. Lawrence Centre. It is the first provincial hospital with an urgent care centre instead of an emergency department.

In February, Women's College Hospital will open its new brief psychotherapy centre. It will provide outpatient services for women in crisis situations and is being designed to prevent the development of serious psychiatric illness, particularly for those in their reproductive years.

The centre is being designed to ensure that women have timely access to the services they need, provided by sensitive and supportive professionals who are committed to quality of care.

My ministry wants to be sure that women in all areas of the province have access to services which can give them immediate referrals to appropriate agencies, institutions and professionals. We will continue to welcome further proposals from hospitals, community-based agencies or organizations for the provision of comprehensive women's health services in their communities. In the next few weeks I expect to be announcing other women's health services and programs.

RESPONSES

Mr. Reville: Taking a leaf out of the book of the member for Burlington South (Mr. Jackson), I should like to respond to all three statements.

RETAIL STORE HOURS

Mr. Reville: First of all, my congratulations to the tag team of the Attorney General (Mr. Scott) and the Solicitor General, particularly on having such crack research teams as were able to determine that in fact Boxing Day does fall on a Saturday this year. This must be perhaps one of the more machiavellian—nay, let me not mince words—Mephistophelean schemes—

Hon. Mr. Scott: It beats hypocritical, which he usually says.

Mr. Reville: —which, as the Attorney General charmingly points out, beats hypocritical.

What the government of Ontario has managed to do is to look squarely in the eye of a serious problem and dump it on a municipality.

Mr. Wildman: When in doubt, duck.

Mr. Reville: The Association of Municipalities of Ontario sends them its white feather of the month. We are going to have to rope off the Minister of Municipal Affairs (Mr. Eakins).

Hon. Mr. Scott: Sarcasm doesn't work in here. They don't get it.

Mr. Reville: It is clear that very little works in here.

It must be particularly embarrassing for the Solicitor General, who strove mightily, along with a lot of members of this House, and with me, to come to grips with the difficult problem of whether we want to shop our brains out on Sundays and holidays or not.

In fact, it is a matter on which there is no consensus in the province. It is, however, a matter on which hang a number of other important issues, particularly the protection of workers from being required to work on Sundays and holidays, and one trembles to think at how those workers will be protected by a government such as this, which can think of no better solution than to send this downstairs to city halls.

I have struggled as a member of a council, and I know the Minister of Health (Mrs. Caplan), the Solicitor General and a number of other members on the government benches have also done that. We know that municipal politicians do not like this issue any more than we do and that they will be subject to the same kind of polarized views as we here have been. It strikes me that it is sad that this vast government, with its vast mandate, cannot get its vast mind around a problem like this.

Mr. Breugh: There is the problem. I think we have just identified the difficulty.

Some hon. members: It is only half-vast.

Mr. Reville: For the record, there are some sotto voce or not so sotto voce voices saying the government's mind is half-vast.

1400

WOMEN'S HEALTH SERVICES

Mr. Reville: On the statement from the Minister of Health (Mrs. Caplan), one out of three is not bad. Perhaps I could congratulate the Minister of Health on this initiative in respect of

the regional women's health centre, and of course follow those congratulations quickly with, "Where is the rest of it?" Clearly, we all applaud the good work that has been done over many, many years by the folks at Women's College Hospital. We expect that this good work—

Hon. Mrs. Caplan: I was born there too.

Mr. Reville: This hospital is older than I thought. I might point out that the Minister of Health is younger than I am.

The minister, however, has not addressed the problem of access to abortion services in this province, and she well knows that. It is too bad the government has an inadequate position on that matter as well. One hopes that as time goes on, it will realize that the setting up of six women's health centres in Metro Toronto and perhaps six in the rest of the province will not do the job when it comes to making sure that women have access to abortion services.

I think the other thing that should be said at this time is that, in respect of sexually transmitted diseases, the Ministry of Health is failing there as well. The inadequate response to the spectre of human immunodeficiency virus and acquired immune deficiency syndrome, which is part of what is being addressed here, is truly an indictment of the government. Clearly, the fact that 30 people in the city of Toronto last night contracted HIV indicates what a bad job the government is doing.

Mr. Speaker: The member's time has expired.

RETAIL STORE HOURS

Mr. Cureatz: Might I first congratulate the Solicitor General (Mrs. Smith) on at least coming forward with this statement. Over the last week to two weeks, we had a great deal of concern that possibly there was a lack of leadership on the front bench, albeit the second row, in terms of the wavering description of Sunday openings and special holidays and concerns for the employees, whether they would be lessened in their employment.

I am concerned about the Solicitor General's statement because, although she has indeed gone through four or five pages of outlining the problem, all of which we know, she then comes up with a solution which, it grieves me to inform her, is no solution. As indicated by my New Democratic Party colleague, all she is doing is passing on the dollar to the municipalities. It is interesting, notwithstanding the Solicitor General's statement, that on page 5 she goes on to say,

"Municipalities across Ontario will have an opportunity to consider their response and prepare for the change in the law."

I wonder if she is now going to still have an escape clause whereby, if the municipalities in the Association of Municipalities of Ontario react so strongly to the proposal of putting the responsibility on them, the Attorney General (Mr. Scott) is then going to say, to get us over the Christmas holidays, "I guess we had better take another look at it."

It grieves me no end that the Liberal Party of Ontario and the government are not taking their responsibility seriously about these problems, taking leadership and, instead of passing the dollar on, deciding on the front bench what they are going to do about it, getting the support of the rest of the Liberal caucus and letting them go across Ontario to explain their position.

But no, what do they do? They send it off to the municipal politicians, and let me say they are going to have some very difficult decisions to make. Does the government think municipal politicians in the city of Toronto are the same as those in the town of Newcastle in the region of Durham? They have different thoughts and different concerns and the government is going to have a mixup of policy—

Interjections.

Mr. Cureatz: Oh no, the government is going to have a mixup of policy right across Ontario. There will not be any cohesiveness in Ontario, I say to the Minister of Natural Resources (Mr. Kerrio), and I say to the Treasurer and Deputy Premier (Mr. R. F. Nixon) there will be a hodgepodge of policy. You are going to be crossing from one municipality's boundary to the next not knowing what you can do on specific days. We are going to look with great interest at the proposed legislation and at what the municipalities have to say about the lack of leadership of the Attorney General (Mr. Scott) and Deputy Premier in this area.

WOMEN'S HEALTH SERVICES

Mr. Eves: I would like to respond first of all to the statement by the Minister of Health (Mrs. Caplan). It was only two short weeks ago to the day in this Legislature that she informed myself and other members of the Legislature that she still had not made up her mind whether or not she would make the disclosure of these women's health centres public. I am glad the minister has finally come to her senses. She came to them the next morning as a matter of fact and said she

would now be in a position to tell the people of Ontario where these centres would be located.

I do not think anybody doubts the great contribution Women's College Hospital has made to health care, especially with respect to women in Ontario. I am glad to see the minister is finally forthcoming about the counselling and referral service with respect to therapeutic abortions. It was not so difficult, was it? All she had to do was tell us that. I do not think she had to try to bury it on page 3 of her statement either, but I do commend the minister on having finally taken this initiative.

RETAIL STORE HOURS

Mr. Eves: With respect to the statement made by the Attorney General (Mr. Scott), I presume that the member for Simcoe Centre (Mr. Owen) will not be too impressed by the Attorney General's statement. It was just a few short days ago that he rose in this House to say that he certainly hoped stores in his riding at least would not be allowed to remain open on that particular Sunday.

I might say to the Attorney General and to the Solicitor General (Mrs. Smith) that if they had bothered to look into some of the recommendations of our task force, one specifically, and had allowed stores to remain open on Boxing Day, they would not be in the dilemma they find themselves in today.

It is interesting also to note that the government is now going to pass off any difficult decisions to municipalities. I presume that now we are going to have different liquor laws in every municipality in Ontario because they have different needs and concerns. I presume that with respect to rent controls, for example, it is going to permit municipalities to determine on an individual basis what they want.

The ramifications of this are possibly endless. We can just pass on all their responsibilities and maybe we can divvy up all their cabinet salaries and give them to reeves and mayors across Ontario.

Mr. Harris: I have four seconds, Mr. Speaker.

Mr. Speaker: Yes, you have.

Mr. Harris: It's a disgrace.

Mr. Speaker: Now that the member for Nipissing has completed his response, that completes ministerial statements and responses.

ORAL QUESTIONS

OCCUPATIONAL HEALTH AND SAFETY

Mr. Mackenzie: I have a question for the Minister of Labour. The minister will be aware of

the many ongoing occupational health and safety problems at Continental Can in Concord. The workers and their union, the United Steelworkers of America, Local 2514, have decided to concentrate on the lead issue. The metal beverage cans are soldered with lead. Doctors at the workers' health centre have discovered that lead levels in some workers are above the permissible levels and lead, as the minister knows, is a killer. The Minister of Labour ordered that there be a control program done on lead in the plant by September 23. The company did not comply. Why did the Minister of Labour not do something to ensure the compliance?

Hon. Mr. Sorbara: It should be pointed out to my friend the member for Hamilton East that indeed the ministry did order a lead control program at Continental Can. What he failed to mention is that the order which was made against Continental Can was appealed by Continental Can and that the process of hearing that appeal is ongoing right now. I would add that ministry officials are in the process of continuing an investigation there in light of the appeal that has been made by the company.

Mr. Mackenzie: We got the regulations in 1981. We got the order, to be complied with by September 23. The company wrote the minister on November 22 saying it would comply with the order by December 7, but that was a day after a story in the Toronto Star and had little to do with the minister's own pressure on the company.

The minister will no doubt be aware that 169 of the 300 workers in that plant have written complaints to the College of Physicians and Surgeons of Ontario concerning the company doctor. The workers want an independent test of their blood levels to determine the exposure to lead. The company is refusing to allow the in-plant tests to be done by any independent source.

The minister knows that this is one of the five key areas that led to the temporary settlement of the McDonnell Douglas dispute. Is the minister prepared to ensure that the workers can be tested in the plant by an independent source?

1410

Hon. Mr. Sorbara: My friend points out the issue relating to McDonnell Douglas. What he failed to mention when he pointed it out was that at McDonnell Douglas what was identified was the clear right of the worker to have an independent test done by the physician of his choice. There is no obligation however, either on McDonnell Douglas or Continental Can, to have the clinic of the choice of the workers located in

the plant. What we decided, and what was clarified at McDonnell Douglas, is that if there is no clinic in the plant, then the worker has the option of leaving the plant and going to the physician of his choice. That is the way the law stands. The law does not provide that any company, Continental Can in this case, must allow a clinic of the workers' choice to locate itself within the plant. He knows that.

Mr. Mackenzie: Yes, I do know that. I also know what it took to get the testing and the lost time to be covered if it is done outside the plant. I am wondering if that is part of the decision the minister is willing to make in this case, because his ministry was part of those negotiations at McDonnell Douglas. I know the minister does not consider mass refusals incredible, but certainly if he does nothing we are going to see that at this and other plants in the province.

There are over 300 chemicals in this plant. Lead is the only one for which there are tests. The ministry has done nothing to see that the program is complied with. So far, only 38 of the workers have managed to be tested by independent doctors simply because the company will not allow the in-plant testing.

These workers went there to work, not to die. Again, I ask the minister is he prepared to ensure that the workers can be tested in the plant or set up arrangements for them to be tested that are much quicker than what is going on right now?

Hon. Mr. Sorbara: Some of the workers at Continental Can have an interest in having a specific clinic run by a specific doctor located in their plant. There is no obligation under the law to require a plant to accommodate that specific physician within that specific plant, with that specific clinic in the plant. The workers have a right to time off. In the case of McDonnell Douglas, it was an arrangement for the right to time off for two hours and the choice of the physician of their choice. That is the law and those are the provisions under which I would expect that the workers at McDonnell Douglas can have an opportunity to ensure they are fully tested.

Once again, the issue is the fact that the workers have a right to work in conditions that are safe. That is the overriding provision of the law. Where a medical surveillance program is put into place, the workers have a right to choose the physician they want to go to. If an arrangement can be made between a plant and a clinic to locate a clinic on the premises, then that facilitates and accommodates the workers. In this case, the workers and the company cannot agree

on the choice of physician and the choice of a clinic. Under those circumstances, the workers regrettably will have to find their physician in another location and the company is obliged—

Mr. Speaker: Order. New question. The member for Oshawa.

RENTAL ACCOMMODATION

Mr. Breagh: I have a question for the Minister of Housing. The October survey done by Canada Mortgage and Housing Corp. of apartment rental accommodation in Ontario is now out. It is clear that the situation is worsening. What is the minister doing to prevent last year's fiasco where the ministry failed to deliver on low rental accommodation across Ontario? What steps is she taking this year to see that she does not fail in her job of providing some relief to a very serious accommodation crisis across Ontario?

Hon. Ms. Hošek: The vacancy rates were released and the results were that the vacancy rate in Toronto is the same as it was, which is obviously very bad. The vacancy rate is down in large urban centres and up in smaller urban centres. That is the reason we have our program for increasing the supply of housing in the province. That is the reason we have made major commitments to increasing supply.

I should also tell the member our records indicate that since January 1986 some 18,000 or 19,000 rental units have been produced in the province, which is, for the first time in a long time, some significant production of rental units; and about 8,000 of those have been produced without any form of government assistance. So there is rental housing now being produced in the market in a greater number than has been true in the past.

Mr. Breagh: It is very interesting. The minister might give us a clue some day as to when we will actually begin to notice this. Certainly the Canada Mortgage and Housing Corp. in its survey did not.

Can the minister explain why there were over 26,000 applications before her ministry last year to provide some kind of reasonable housing on a rental basis for people in Ontario and it was able to approve and deliver on only some 6,700 units?

Hon. Ms. Hošek: We actually delivered on more than that number of units. As the member knows, the problem of producing housing in Ontario—and in Metro Toronto the problem is most severe—has to do not with our ability to approve the units but with the fact that the market

has been heated up for production at the higher end of the market.

The difficulties have had to do with providing land and giving access to land as well as government support to the people who produce lower-end housing. But the biggest problem has been land and also the cost and the time involved in some of the municipal approvals. This is an area we are very concerned about and very informed about. We have been talking with the people who have these difficulties in the nonprofit sector regularly, and we are working very hard to try to come up with solutions to help them.

Mr. Breagh: If talk could produce a house, we sure would be in luck here.

Finally, let me ask the minister about her comments about land. We know she has been conducting surveys of government-owned property here in Metropolitan Toronto, for example. Will she table the survey of property that is already owned by governments in Metro Toronto, and will she give us a reasonable commitment today that this land will not be turned over to the private sector to build more luxury condominiums? Will she ensure that this property is used for a variety of uses, including recreational but by and large in the housing sector, that it is used for nonprofit housing so we can accommodate these 26,000 applications to build reasonable housing for people in Ontario?

Hon. Ms. Hošek: I would like to refer that question to the Minister of Government Services while telling the member that we have been in active consultation about it. May I do that?

Mr. Speaker: You can refer it, but then you cannot add any of your own comments. Do you wish to refer it?

Hon. Ms. Hošek: Yes. I would like to refer it to the Minister of Government Services.

Hon. Mr. Patten: There is a review of all the lands in Metropolitan Toronto. Those are being reviewed in the light of the most probable use.

The member is aware, of course, that there is a "housing first" policy, which means that throughout any development of those lands the very first question being asked is: "What is the appropriateness of housing? If not necessarily as a primary feature, what may be developed in conjunction with some other form of development?"

As soon as that report is finalized, it will be available to all members.

RETAIL STORE HOURS

Mr. Brandt: I have a question of the Solicitor General. On May 22, the Premier (Mr. Peterson)

was quoted in the *Globe and Mail* as having said, "We owe it to the people, particularly for the next pressure point, which will be the Christmas season, to tell them exactly what the law is and to make it enforceable."

That is what the Premier had decided to do on May 22. I would guess it was the responsibility of the cabinet over that period of months to come up with a program. A week ago, while the Solicitor General was responding to questions in the scrum outside the House, it is my understanding that when she was asked about the municipal option relative to Sunday shopping she said, and I believe I quote her correctly, "We would not use the municipal option because that would be the chicken way out."

What was the chicken way out a week ago has now become the policy of the government of Ontario. I wonder if she can share with this House what sort of conversion has actually taken place over the course of the last matter of days.

1420

Hon. Mrs. Smith: The member for Sarnia will be aware that we received a report from the select committee asking us to try to create a definition of tourism as it applies to the retail sales that would indeed apply across the whole province. We have worked very hard on this, which has taken up the time that delayed us in coming down with some sort of statement. In fact, hard as we might have worked at it, we were not able to come up with such a definition that would apply right across the province. We still see, however, the value of having a definition that could be applied locally by the local municipalities, and so we do not want to take that option away from them.

Mr. Brandt: I know that giving the municipalities this new option and this new responsibility will be welcomed by them in exactly the same fashion as when the government could not make a decision on the issue of beer and wine. They welcomed that decision by shoving it right back at the government and telling it they wanted nothing to do with it.

The reality is that all the minister has done is that, taken the responsibilities that she acknowledged she had some months ago, she has completely ignored the need for province-wide legislation in this regard. I have to tell her she has come up with the absolute most chicken way out possible, to use her own words.

Would the minister clarify, if she would, my question, Mr. Speaker, which I know you are anxious to have me proceed with?

Mr. Speaker: I would like to hear it.

Mr. Brandt: Knowing how well the minister and the cabinet have thought out the option of passing this on to the municipalities, I wonder if the minister can share with us, recognizing that she has thought this through very carefully, whether it is also going to be a local municipal option to keep open beer and liquor stores on those particular days. Will that also be their decision?

Mr. Speaker: The question has been asked.

Hon. Mrs. Smith: Generally speaking, as I have examined legislation from other provinces, the laws that apply to liquor are specially treated and probably will continue to be so as time goes on. We have, as I have pointed out, left an opportunity here for municipalities to speak to us, not about what the long-term effect of us opening up the municipal option in itself would be but about what sort of option they would like there. We will be getting input from them about the exact nature of our law, which will be permissive to them to do this.

I would point out, when the member mentions beer and wine options, and I would point out also to the member for Parry Sound (Mr. Eves), that the province did give the communities many years ago the opportunity to have a local option in liquor stores, to be dry or not dry. As a matter of interest, I believe some 15 areas have still opted to stay dry. So one can assume that in this very wet province there were 15 municipalities or areas that appreciated the opportunity to make their own decision.

Mr. Brandt: By way of final supplementary, we are, as the minister can well imagine, somewhat confused about how this law that she is proposing came about. We are also somewhat confused about what is going to happen with respect to beer and wine openings on those particular days. But let me proceed a little further.

Is it the responsibility of the province, in the minister's view, to provide any form of protection whatever for workers who, for either religious or family reasons, do not wish to work on days that municipalities determine are going to be open for business? Is the province going to take any responsibility whatever in this regard, or does the minister simply take a Pontius Pilate attitude and wash her hands of the entire matter?

Hon. Mrs. Smith: The province has already said that it will be addressing the matter of the labour laws in the time to come and that the Minister of Labour (Mr. Sorbara) will be coming

forward with a bill before we come forward with the retail bill that we are proposing.

I would point out, as a matter of interest and just by way of example, that the Employment Standards Act will limit the number of hours that can be worked in any case.

Having spoken to others, including my daughter-in-law, who worked in a retail store in Vancouver, they had very little trouble working it out in the store she worked in. They took either Saturday or Sunday and worked it out so they had one or the other off. Probably there would be many people who would like to work on Sunday and have Saturday off. We may well find that some people do.

CONFLICT OF INTEREST

Mr. Brandt: I have a question for the Attorney General. On November 5, 1987, the Attorney General indicated with regard to the conflict-of-interest bill that the bill will be treated as if it were already in force with respect to cabinet ministers. I would like to ask the Attorney General if all cabinet ministers have, as of this point in time, complied with the requirements of his proposed legislation.

Hon. Mr. Scott: I am advised that all cabinet ministers and parliamentary assistants have complied by delivering their disclosure statements to the interim commissioner, the Honourable John B. Aird, in the time fixed by the draft legislation.

Mr. Brandt: It is my understanding that Mr. Aird indicated that the disclosure statements would be available by the end of November. In checking with the Clerk of the House at the end of November, we were not able to get the assurances we felt we should have with respect to compliance on the part of all cabinet ministers. We did not check into parliamentary assistants, but we did check in connection with cabinet ministers.

Is the Attorney General giving us the assurance today that all the cabinet ministers have complied? We on this side of the House in opposition have no other way of finding out, now that he has changed the rules to suit himself.

Hon. Mr. Scott: The honourable member is getting revved up for this. I think he is going to be the last leadership candidate who enters these stakes that are going to take place.

The reality is that we introduced a bill, which will be debated today, that establishes, if the Legislature adopts it, some rules as a matter of statute and not as a matter of guideline. That is a

first in Ontario, and I believe it is a progressive step.

The cabinet ministers are required under that bill to file their disclosure statements with the interim commissioner within a time limit. That time limit has in each case been met. The interim commissioner is obliged to file disclosure statements with the Clerk of the House "as soon as reasonably practicable." That is the language, I believe, of the draft statute. He indicated that he would be doing so by the end of November. The other day the Premier (Mr. Peterson) indicated that he had heard from him, and the interim commissioner had indicated that an additional two weeks would be required.

Mr. Brandt: Let me say to the Attorney General that it has been written in some quarters that the last shall be first. I just want him to know that.

Let me say as well to the Attorney General that the flexibility—

Interjections.

Mr. Speaker: Order. I know the member for Sarnia has a final supplementary he would like to put through the chair.

Mr. Brandt: I certainly do, Mr. Speaker. I thank you for this opportunity, because it is obviously feeding time over there. We are getting a lot of responses back.

My final supplementary is with respect to the timetable the Attorney General put forward, namely, the 61 days for full compliance, which is in his bill and which he indicated would be taken as law.

To suit his own purposes—the Attorney General should check his bill; I see he is reading very rapidly to catch up to the points I am trying to make with him—is this going to be a bill where he can build in the type of flexibility that will accommodate every cabinet minister under every circumstance, no matter what the conditions are? It appears to us that the Attorney General is operating this bill in such a way as to create the most convenience for each and every member of cabinet. What are his intentions with respect to compliance with the law that he is proposing?

1430

Hon. Mr. Scott: I noted the honourable member's observation that the last shall be first, and I was tempted to take that as a public declaration that he in fact was seeking the leadership. The looks on the faces of the member for Cochrane (Mr. Pope), the member for Burlington (Mr. Jackson) and the member for Carleton (Mr. Sterling) confirmed beyond any

doubt that this was the case, and I know that all members of the House, except his colleagues, will wish him well in that important struggle.

The honourable member was absolutely right. I was searching for the bill because I think, if a question is going to be asked about the bill, we might even turn to see what it says.

Mr. Cousens: Have you sent a copy to John Aird?

Hon. Mr. Scott: Well, apparently I have sent copies to the member for Markham; it does not apparently make any difference.

If we look at section 11, we will see that the bill provides that "Every member shall, within 60 days of being elected"—

Mr. Harris: It doesn't affect us. It affects you and John Aird.

Mr. Cousens: Has John read it?

Hon. Mr. Scott: I know the honourable members opposite have not, and so we are reading that only for cabinet ministers and parliamentary assistants at the moment, but it says that one shall, "within 60 days of being elected, and thereafter annually, file with the commissioner a disclosure statement." That has in every respect been done.

Section 12 provides that the commissioner, after an interview with the members, shall file his statement in the House, and that will be done when the commissioner determines he is satisfied.

WORKERS' COMPENSATION

Mr. Mackenzie: I have another question for the Minister of Labour. The Minister of Labour is no doubt aware that dozens of injured workers demonstrated this morning when officials of the Workers' Compensation Board presented the new policy on supplements payable to workers on a WCB pension who co-operate with or are available for a rehabilitation program.

The minister said yesterday that it is quite clear in some cases benefits will be cut off and less supplements will be paid out. He also said it gave him a great deal of concern that there would be cutbacks in the supplement.

Will the minister today demonstrate his concern with action, and will he ensure that these cutbacks do not take place?

Hon. Mr. Sorbara: I recall in the first question from the opposition party today, the member for Riverdale (Mr. Reville), I think it was, used the words "machievellian" and "Mephistophelean" to describe actions which clearly were not the case on the part of the

government. Now my friend the member for Hamilton East is suggesting to me that I simply ignore the authority of the Workers' Compensation Board to interpret the law and apply the law.

The fact is that the policy of the board on subsection 45(5) simply provides that during a period of vocational rehabilitation, or during a period of on-the-job training, and thereafter during the period of adjustment to workplace, for workers who have suffered a permanent partial disability, a wage supplement can be paid. That is what the section says. I invite my friend to read the section, and then he will know that what the board is proposing is simply to apply that section.

He knows and I know that there has developed a habit at the board to pay out supplements well beyond this period of vocational rehabilitation, in some cases some three or four years after the fact, after the vocational rehabilitation has taken place, and the board has simply said, as I understand the policy, it is no longer prepared to do that.

Mr. Mackenzie: The minister's smug little lectures do not do him any justice in this House if he suggests there is not a link between the cutback in supplements and a threat to vocational rehabilitation. Injured workers can get these supplements only if they are co-operating in or available for a rehabilitation program. If you cut back on the number of workers getting a supplement and the duration of a supplement, you are going to cut back on rehabilitation.

Instead of assertions that the rehab will not be affected, can the minister promise some action? Can the minister tell us when he is going to implement the recommendations of the report of the task force on vocational rehabilitation?

Hon. Mr. Sorbara: Talking about smugness and lectures, I simply remind my friend that it was two weeks ago in this House that he became rather smug and rather offensive to the entire House. I would have expected that when he asked the question, there might have been a comment retracting that comment. Perhaps I expected too much.

The fact is that the board is spending more, not less, on vocational rehabilitation. It is not enough yet; he and I agree on that. The board is currently examining the Minna-Majesky report on vocational rehabilitation, as is the Ministry of Labour. We are proceeding on that.

I cannot tell the member when it is going to be implemented, but I want to make sure that everyone in this House knows that an interpretation of the policy under subsection 45(5) is not to be interpreted as less money being spent on

vocational rehabilitation. The interpretation simply says that if a worker is no longer on vocational rehabilitation, is no longer going through a period of on-the-job training and is no longer going through a period of work adjustment and he has finished all of that, then there is no authority in the act to continue the supplements. Therefore, the board has said, "We have no authority to pay that and we ought not, under the law, to continue to do that."

RENT REGISTRY

Mr. Cousens: I have a question for the Minister of Housing. Could the Minister of Housing tell this House if the rent registry is currently active?

Hon. Ms. Hošek: The rent registry now has about 150,000 units on it and it is available for people on computer.

Mr. Cousens: In other words, saying the rent registry is active means that when someone called the rent registry this morning and asked for some assistance, the answer that was given on the toll-free number of her ministry is that it would be two months before the registry would be fully activated. I ask the minister, how can decisions be made about the 23,000 claims before the board if the rent registry is not even activated?

Hon. Ms. Hošek: In my earlier answer I told the member that 150,000 names are currently on the computer. Let me add that 10,000 letters will be sent out next week every single day, starting at the end of next week, to inform the people who are entitled to information on the rent registry so that more names and more of that information will be out. When all of the information is out, then everyone will be able to get an answer.

INTERVAL HOUSES

Mr. Breaugh: I have a question for the Minister of Housing. Many members have had the opportunity in the last few days to meet with the Ontario Association of Interval and Transition Houses. I would like to know why the minister continues to fail to meet a need that was identified as far back as 1982.

Our standing committee on social development made the ministry aware that there was a severe problem with people who were living in hostels and substandard accommodation who were going through this kind of horrible transition period in their lives when the housing need was severe—was chronic, in fact. Why are we still at the point where this group is continuing to identify a real housing need that we have known

about for some period of time? Why have we not been able to respond to these people?

Hon. Ms. Hošek: The member opposite shares with me a serious concern for those women who have been battered and who have to stay in interval houses for periods of time. Indeed, there is a difficulty in finding second-stage housing for those people because of the cost of accommodation in the province.

We have recognized that difficulty, and one of the reasons for a project that we started last year, called Project 3000, which is meant to address the needs of people with particular difficulties with housing, is to address also those women who are battered and who need second-stage housing.

Mr. Breaugh: I am saddened somewhat by that kind of reply because I am aware that the minister knows how serious the problem is. With that kind of knowledge, with that kind of advance warning and with that kind of programming in place, why is it that last year, when it had over 12,000 submissions to provide adequate housing for people in this kind of need, her ministry was able to approve and deliver only just slightly over 3,000 units?

Hon. Ms. Hošek: The need is very great; I agree with the member opposite that it is. One of the difficulties is the large number of women who are living in situations where they are being battered. The number continues to grow, and the people who go to transition houses then need that second stage of housing.

1440

Our commitment to continuing to supply housing for those people remains both through the project I mentioned to the member and through support of community living initiatives, as well as through housing that will be made available by all the work we are doing. I do not think all the women who are currently in battering situations will necessarily need support in order to live in the housing that should be made available to them. I do not believe in creating housing—

Mr. R. F. Johnston: They can't even leave the battering situation. Sixty per cent of them go back to their homes.

Hon. Ms. Hošek: We all know there are serious problems for women who are battered, and the reasons they return are many. It is our commitment to increase the supply of housing available to all people in need and also to people who are in need of supportive housing. One thing that has been changed is the eligibility require-

ments for people entering Ontario Housing Corp. housing, which has now put those women who are battered at the top of the list. So they are the first to get access to those houses.

SKILLS TRAINING

Mr. Jackson: My question is to the Premier. The Transitions program was one of the very first campaign statements that he made this summer in Hamilton on August 4. Specifically, he promised that older, unemployed workers who might participate in his program—and I quote from the *Globe and Mail* of August 5—“would still be able to claim unemployment insurance and any other benefits.”

On the same day, he told the *Toronto Star* that “the federal government is co-operating on the new plan by continuing workers’ unemployment insurance benefits while they undergo retraining.”

No doubt the Premier is prepared today to stand in this House and state that when he made that statement on August 4, the federal government was in agreement with him and he could guarantee unemployment insurance benefits to older, laid-off workers who took training. Who told him that such a deal had been made, and is he prepared to stand by that statement today?

Hon. Mr. Peterson: I will refer that to the Minister of Skills Development.

Hon. Mr. Curling: As the member knows, in the Transitions program the client gets \$5,000 as a voucher with which to seek training. We had discussions and consultations with Canada Manpower, and we were assured that this would not affect the unemployment insurance benefits.

Mr. Jackson: I believe my question was directed to the Premier with respect to statements he specifically made.

According to the federal Department of Employment and Immigration, on August 4 there was no such agreement. According to his own Ministry of Skills Development, on August 4 of this year and as late as last Thursday, there was no agreement. According to the document that the Premier tabled at the recent premiers’ conference, there is still no agreement, by his own statement.

The Ministry of Skills Development reports the Transitions participants are being cut off from unemployment insurance benefits, a direct contradiction of the statement made by his Premier on August 4. The Minister of Skills Development now knows why I stated outside of this House yesterday—

Mr. Speaker: Question, please.

Mr. Jackson:—that his Premier has misled the older workers of this province. Can he tell this House—

Mr. Speaker: Order. Would the member withdraw the word “misled”?

Mr. Jackson: On a point of order, Mr. Speaker: I have a ruling on this very point from you on December 12, 1985—

Mr. Speaker: Order.

Mr. Jackson: I would ask the Speaker to examine his own ruling.

Mr. Speaker: I will be glad to examine it at a later time. Will the member withdraw? Order.

Mr. Harris: Mr. Speaker, on a point of order: there is nothing out of order. I do not believe the member has said anything in this House that is out of order.

Mr. Speaker: Order. With respect, would the member withdraw the word he used, “misled”? Will you withdraw?

Mr. Jackson: Can I still ask my question?

Mr. Speaker: If you withdraw.

Mr. Jackson: I will withdraw, Mr. Speaker.

Mr. Speaker: Thank you.

Mr. Jackson: Yes. My question is to the minister. Given the fact that we have a statement made that asserts one thing and we now we have the same Premier making an opposite, contradictory statement, will the minister not now agree that at least the Premier’s comments are at variance with the facts and that our older, unemployed workers in Ontario are at severe risk and have absolutely no confidence in the assertions he has made on this Transitions program?

Hon. Mr. Curling: I have problems dealing with the honourable member’s so-called facts. Just yesterday, the member stated in the House that when he called about the Transitions program in many areas the people he called said it was not there. The member also called the labour plant closure branch to receive material and he said it had cost \$6. I checked and found the costs only \$1.65.

The member also stated that nobody knew about the Transitions program. When we called the University of Toronto, we were told the people there were informed two months before. Then the member stated in the House that they did not know of the program. Now he states that there is an inconsistency in what the Premier has stated. We had the assurance from the immigration authorities that they would not in any way

interfere with the \$5,000 training vouchers that were given to the client. That assurance is what we stood by.

WOMEN'S HEALTH SERVICES

Mr. Callahan: My question is for the Minister of Health in regard to her statement. During the election, my colleague the member for Brampton North (Mr. McClelland) and I visited a very excellent facility being provided through a local community organization that provided counselling to young people coming for abortions. It told them where they could go in terms of housing, in terms of accommodation, in terms of money that might be provided for them and so on. I am pleased to see that in her statement the minister is putting emphasis on the question of counselling methods other than abortion.

I notice on page 5 of her statement she indicated that she would continue to welcome further proposals from hospitals and community-based agencies or organizations for the provision of comprehensive women's health services in their communities. Can I take it from this that an organization such as I have indicated would be eligible to receive some form of assistance, be it monetary or perhaps monetary and facility assistance?

Hon. Mrs. Caplan: I thank the member for the question. I would say to the members opposite that it is a very good question.

We have requested proposals for comprehensive women's health initiatives from hospitals, community-based groups and organizations across this province, and I would encourage not only the member for Brampton South (Mr. Callahan) but also any member in this House who knows an organization that would like to submit a proposal to encourage it to do so.

Further, I would offer the services of the women's health bureau in the ministry to work with any community group or organization that would like to submit a proposal to facilitate and assist them in their efforts.

HELP CENTRE

Mr. Morin-Strom: I have a question for the Minister of Northern Development in regard to the unemployed workers' help centre in Sault Ste. Marie.

The minister is aware that the centre closed its doors in November and has been able to reopen them only as a result of a reprieve that has been given to it by the Minister of Skills Development (Mr. Curling). However, ongoing funding is by

no means assured because of a matching formula requirement.

The minister has been asked whether his ministry will get involved in the funding of this centre, and I ask the minister whether his staff have had the opportunity to meet with the help centre people and whether his ministry will assure that funding will be available beyond the month of December.

1450

L'hon. M. Fontaine: Je tiens à remercier le député de Sault Ste. Marie pour la question qu'il vient de me poser.

First of all, I was approached last week by the Minister of Skills Development about this problem at the centre. I instructed my ministry to look into this with the Minister of Skills Development to try to find a solution to this problem. I cannot say today that I will fund this, but I am looking into it and will come back to the member on this question in a few weeks.

Mr. Morin-Strom: I want to remind the minister that the centre will be closing as of the end of December if it does not receive assurances of ongoing funding. Can the minister assure us that the final decisions will be made before the House adjourns and that a statement to that effect will be forthcoming from the minister before we leave here two weeks or so from now?

L'hon. M. Fontaine: Je tiens encore à réitérer ma réponse, à savoir que nous sommes en train d'étudier ce problème-là, et je voudrais assurer le député de Sault Ste. Marie qu'avant la fin du mois de décembre, nous aurons une réponse à lui donner.

SOCIAL ASSISTANCE

Mr. Harris: I have a question for the Treasurer. When he released his second-quarter economic figures recently, the headlines the next day indicated, "Welfare Spending Soars as Jobless Flood Ontario." It appeared that the influx of out-of-province jobless was the reason that our welfare rolls were swelling. This argument seemed to be the government cover for any lack of fiscal control or other legislative or administrative changes.

In view of the fact that the combined family benefits allowance and general welfare assistance totals were 279,691 in January 1987 and 272,103 in September 1987—in other words, it has dropped by 7,500 during the period that the Treasurer says it was this unexpected influx that caused the spending to go rampant—I wonder if the Treasurer could explain that.

Hon. R. F. Nixon: I think the honourable member will be aware that the Minister of Community and Social Services (Mr. Sweeney) joined in the explanation by indicating that there was a variety of programs, some new and some strengthened old programs, which indicated that the utilization of public funds in providing facilities for the homeless and a wide variety of programs, not only in the metropolitan area but elsewhere, had contributed to the overexpenditure.

Mr. Harris: It may have contributed, but the overwhelming reason given was this flooding of the jobless into Ontario. The facts are that as of September there are 7,500 fewer on the rolls than there were in January. It is becoming apparent that the Treasurer has not seen to it that there are any controls whatever on government spending. It is becoming apparent that new programs are being developed and implemented with no value for money consideration either in the dreaming up of the programs or in the implementation of the programs. It is becoming apparent that in good times, as the money rolls in, the name of the game is to spend it as fast as he can. This is all becoming readily apparent to us here in the Legislature.

An hon. member: It is out of control.

Mr. Harris: It is totally out of control.

Mr. Speaker: Question.

Mr. Harris: In view of the fact the Treasurer once again has no idea what is going on with the taxpayers' money, I am not sure it is appropriate to waste the House's time with a supplementary.

[Later]

Hon. R. F. Nixon: On a point of order, Mr. Speaker: To correct the record in the truncated exchange between the member for Nipissing (Mr. Harris) and myself, there might have unfortunately been left the impression that his numbers were correct.

I regret to inform you, sir, that I may have left the impression that the honourable member was correct, and I wanted to assure you that—

Interjections.

Mr. Speaker: Order. I would like to remind all members that we do have a tradition in this House where a member may make a point of personal explanation and correct the record of something that individual has said personally.

LANDFILL SITE

Mr. Owen: My question is to the Minister of the Environment. I am quite sure he is aware of the problems associated with the Innisfil landfill

site. I understand that leachate has been identified migrating off the property, causing concern among nearby residents. There is some concern also that the leachate may be heading in a direction that may affect Lake Simcoe. I would like to ask the minister what is being done to control the leachate and what impact it is having on nearby families and their properties.

Mr. Jackson: Under 20 minutes or less.

Hon. Mr. Bradley: It will be a relatively distinct and precise answer to the member.

Mr. Jackson: That would be refreshing.

Hon. Mr. Bradley: First of all, I appreciate the member letting me know that he was going to ask this question today. That does not very often happen in this House, but since it is specific to his constituency, he was kind enough to let me know before I walked in so that I could gather some information.

Mrs. Grier: Would it shorten the answers if we gave notice?

Hon. Mr. Bradley: If the member for Etobicoke-Lakeshore wishes to do the same, I will be happy—

Mr. Speaker: I am sure you have the answer prepared.

Hon. Mr. Bradley: As the member may be aware, the Innisfil site sits on sand beneath which there is approximately 60 feet of thick clay base. The hydrogeologists, who are always looking for particular sites that would be useful, would say that it is virtually impossible for leachate to migrate to contaminate ground water supplies in those circumstances.

The basic integrity of the landfill is found to be secure. However, the problem is with the leachate. The leachate is running along the top of the clay beneath the sand towards the direction of the Davis property, which is next door, and emerges there on the surface. The break-out of the leachate has been of great concern to our ministry and we have ordered the company, the Innisfil Landfill Corp., to install a \$200,000-leachate collection system. That system was installed and is now operational as of September 1987.

Our ministry has conducted studies—

Mr. Speaker: Order.

Mr. Owen: Neighbours have reported to me illegal dumping at the Innisfil landfill, which they indicate they have witnessed. They report that they feel some of the wastes are being dumped in Innisfil from north Simcoe when these wastes should be going to the Keele Valley

landfill near Toronto. The residents have told ministry officials that the number of vehicles hauling garbage to the site is twice the projection for garbage haulage to that Innisfil site. Will the minister investigate to determine that Innisfil is receiving wastes from only those areas allowed under its current certificate of approval?

Hon. Mr. Bradley: I would say first to the member that the Ministry of the Environment has conducted studies and has found that there is no evidence of leachate running into the creeks or contaminating Lake Simcoe.

In regard to his supplementary question, I want to indicate to him that the investigations and enforcement branch when notified of potential violations conducts an investigation. The Ministry of the Environment has indicated to the owner of the site that there is a certificate of approval which cannot be violated without a prosecution taking place. I expect the investigation will be concluded in a relatively brief period of time in this circumstance. If there is evidence that there is a violation of the certificate of approval, of course we will proceed with the prosecution and a court case.

LABOUR DISPUTE

Mr. Farnan: My question is to the Minister of Labour. I would like to inform the minister that I have a concern about the Salvation Army employees at the Eventide Home in Cambridge, who are being forced to subsidize the care of the elderly by virtue of the fact that they must take substandard wages. I am bringing to the attention of the minister two items. First, an arbitration agreement signed by a representative of the Salvation Army agrees that the employees should receive an increase of \$2 an hour and that there is some \$80,000 to \$100,000 owing to those employees in back pay. Following that—

Mr. Speaker: I would like a question, please.

Mr. Farnan: This is necessary to understand the question, Mr. Speaker. Following that, there was a letter from the Salvation Army to the employees. After granting the employees the wage increase for one week, each employee received a letter saying that it was rolled back and that they would not get the back pay. My question to the minister is, what is he prepared to do to protect the employees of the Salvation Army so that they do not have to subsidize through low wages the care of the elderly in this province?

1500

Hon. Mr. Sorbara: What a terrible time of year to raise a question such as that about the

efficacy of what the Salvation Army is doing in Cambridge.

I must apologize to my friend the member for Cambridge to the extent that I am not aware of the dispute going on at that home. If my friend would be kind enough to forward to me a copy of the documentation, I could review it and then get back to it and let him know whether or not there are steps that should or could be taken within the Ministry of Labour.

Mr. Farnan: I agree that for the workers at this institution it is indeed a terrible time of the year to be underpaid and to be facing extra costs at Christmas. The Salvation Army public relations director, Major Edward Pearce, explained that the facility is funded by the Ministry of Community and Social Services, rather than the Ministry of Health, which results in a substantial reduction in the grant money received. "We come in at the bottom end of the scale," he said.

Will the minister agree that when workers are underpaid in the manner of this nature, morale suffers and the care of the elderly suffers? Will the minister make a pledge to this House that he will work in cabinet, together with the Minister of Community and Social Services to ensure that employees—

Mr. Speaker: Order.

Hon. Mr. Sorbara: I consider it my primary responsibility within cabinet to make as forceful arguments as I can in the interests of workers, not only workers working at nursing homes under the jurisdiction of the Salvation Army, but all over the province.

If there is a particular labour dispute, however, between the workers at this nursing home and their employer, be it the Salvation Army or anyone else, my friend the member for Cambridge and I both know that the appropriate action is to take the case either before a board of arbitration or, under some circumstances, to the Ontario Labour Relations Board. It would be inappropriate, from the facts that he has given me, to intervene in this particular case.

I cannot tell him more about the funding arrangements. Obviously, it is the jurisdiction of my friend the Minister of Community and Social Services (Mr. Sweeney). I take him at his word that his interests and my interests are the same when it comes to promoting the interests of workers.

OSHAWA AUTO AUCTION LTD.

Mr. Wiseman: I have a question of the Minister of Consumer and Commercial Relations. On November 18, you will recall, Mr.

Speaker, in the absence of the Minister of Consumer and Commercial Relations, I asked the Minister of Financial Institutions (Mr. R. F. Nixon) a question regarding the car auction at Oshawa. It hinged around the sales of October 21 and October 28 of this year.

I would like to ask the minister if he is as concerned as I am that Lloyds Bank apparently withheld the funds that it was understood were in trust, which totalled over \$2 million on those particular sales, and the cheques that were issued on October 21 and should have been payable right away were withheld. They were bounced—not sufficient funds—on October 29.

I would like to ask the minister—

Mr. Speaker: Order. The question has been asked.

Hon. Mr. Wrye: The member in his question to my colleague also asked if we would get together with the Used Car Dealers Association as quickly as possible. I can report to him and to the House that I had an opportunity to meet with the association last Wednesday morning, and to review this situation with them thoroughly. I certainly share the concern that has been raised by my friend the member for Lanark-Renfrew as to the situation where there is some \$2.3 million of loss, spread among a large number of dealerships, but in some cases, as a result of the loss, there have already been layoffs and very real hardship.

I am sure my friend will understand that Lloyds Bank falls into the jurisdiction of the federal Minister of Finance. As a result of the meeting, my colleague the Minister of Financial Institutions and I sent a telex last Thursday or Friday to Mr. Wilson asking for his immediate intervention in the situation.

I want to say while I am on my feet that while we have no jurisdiction directly, I would express a real concern on the part of this government as to the actions of Lloyds Bank in this situation. While it was not a formal trust, it was clearly expected that that \$2.3 million was in a trust fund, and I think it was quite inappropriate that that money was seized.

Mr. Wiseman: I realize that it comes under federal jurisdiction, but our Minister of Consumer and Commercial Relations and our Minister of Financial Institutions meet from time to time with the banks, and I think they can put a certain amount of pressure on the banks to release this money.

Will the minister give a commitment today, and perhaps talk to his colleague the Minister of Financial Institutions, to write to that bank and

outline what he has said to the House here this afternoon?

Hon. Mr. Wrye: A number of options were examined. Certainly I hope the senior officials at Lloyds Bank will acknowledge and be made aware of the views of this government on the basis of the answer I am giving to the honourable member today. We felt it was most useful in terms of getting immediate action to ask the federal Minister of Finance, who does have jurisdiction, to get involved.

While I am on my feet, I should say there is one other thing that will be of interest to the honourable member and which we shared with the Used Car Dealers Association. It is that until now, because these are dealer-to-dealer auctions, the trust situation has not been licensed and registered. As we are reviewing the legislation, that is one area we intend to tighten up.

Because they were dealer-to-dealer auctions, it had not been viewed in the past that there was direct consumer involvement. While there is not direct consumer involvement from the fallout of this situation, I can say that the indirect consumer involvement has been quite significant indeed.

AGRICULTURAL INDUSTRY

Mr. Wildman: I have a question of the Minister of Agriculture and Food. In view of the resolution passed last week by the Ontario Federation of Agriculture, despite the objections of the pork producers in particular, does he support the unanimous resolution of the County Federation of Agriculture “that Ontario agriculture has nothing to gain and everything to lose from the free trade deal”? If he does, can he explain why his colleagues voted down the resolution put forward last week against free trade and calling on the government to do everything possible to stop the deal?

Hon. Mr. Riddell: It depends on which sector of the agriculture and food industry you are talking to whether they support this agreement. As the member indicated, the red meat producers tend to support this agreement, whereas the grape growers and the fruit and vegetable growers have very serious reservations about it.

I would tell the honourable member that ever since there were even rumblings about this free trade agreement, my ministry became very active. It met with all sectors of the agriculture and food industry. It released a report on the impact that free trade would have on the agriculture and food industry.

We have continued to have meetings with the industry, and we will also be releasing another

report indicating what this deal means to all sectors of the agriculture and food industry. The Premier (Mr. Peterson) will be in receipt of this report, as will the cabinet ministers.

I will be attending an agriculture ministers' conference tomorrow, and I will definitely be participating in the discussion on free trade and letting the federal Minister of Agriculture know exactly what each and every sector of the industry has to say about free trade and how it will impact on their industry.

Interjections.

Mr. Speaker: Order. I want to inform the members that the time for oral questions has expired.

Mr. Wildman: Mr. Speaker, perhaps you could help me. Is it your understanding the Minister of Agriculture and Food (Mr. Riddell) did not answer the question as to what his position is on free trade?

Mr. Speaker: I did state that time for oral questions had expired. Point of order?

1510

MEMBER'S COMMENTS

Mr. Jackson: On a point of order, Mr. Speaker: Today you ruled out of order comments that I made outside of this chamber. I would ask if you would examine your ruling of December 12, 1985, in Hansard on this very point on behalf of the member for Cochrane North (Mr. Fontaine).

Mr. Speaker: I remember it very well and I certainly will.

PETITIONS

CHILDREN'S LAW REFORM

Mr. Ruprecht: I would like to present a petition signed by persons, some of whom are in the gallery today, in regard to the rights of grandparents and heritage of children.

Mr. Speaker: Order. Some members may wish to leave the chamber; some members may wish to have a private conversation with other members. However, the member for Parkdale would like to present a petition and be heard.

Mr. Ruprecht: Thank you, Mr. Speaker. I would like to present—

Mr. Speaker: Order. I would just like to remind all our visitors we are most happy to have them here. However, they must not participate or demonstrate in any way.

Mr. Ruprecht: I would like to present a petition signed by over 1,400 persons from

Ontario, some of whom are in the audience today, in regard to the rights of grandparents and heritage of children.

"To the Honourable Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"That the Ministry of the Attorney General hereby amend section 21 of the Children's Law Reform Act so the word 'grandparent' be included to apply for access of their grandchild. This existing law must be improved so it is recognized that a child has the right to his or her heritage."

WORKERS' COMPENSATION BOARD

Mr. Owen: I have been asked to file a petition from 95 residents of my riding, mainly injured workers, who are requesting a royal commission on the Workers' Compensation Board.

Mr. Speaker: To the Lieutenant Governor of Ontario, I presume.

INTRODUCTION OF BILL

COMMUNITY MENTAL HEALTH SERVICES ACT

Mr. Reville moved first reading of Bill 50, An Act to provide for Community Mental Health Services.

Motion agreed to.

Mr. Reville: The bill in question allows the minister to establish and maintain systems of community mental health services which follow certain comprehensive principles and which may include certain comprehensive components.

ANSWER TO QUESTION IN ORDERS AND NOTICES

Hon. Mr. Conway: Before calling the first order of the day, I would like to table the answer to question 2 in Orders and Notices [see Hansard for Monday, December 7].

ORDERS OF THE DAY

MEMBERS' CONFLICT OF INTEREST ACT

LOI SUR LES CONFLITS D'INTÉRÊTS DES MEMBRES DE L'ASSEMBLÉE

Hon. Mr. Scott moved second reading of Bill 1, An Act to provide for greater Certainty in the Reconciliation of the Personal Interests of Members of the Assembly and the Executive Council with their Duties of Office.

L'hon. M. Scott propose la deuxième lecture du projet de loi 1, Loi assurant une plus grande

certitude quant au rapprochement des intérêts personnels des membres de l'Assemblée et du Conseil des ministres avec les devoirs de leurs fonctions.

Hon. Mr. Scott: Mr. Speaker, I would just like to say a word or two to you and to my colleagues about this bill, which has, as you know, because it was inadvertently introduced as Bill 1, a high degree of priority for this government. The reason for that, of course, is that one of the basic obligations of all of us is to ensure that elected members of the Legislature are entitled to the confidence of their electors and the community of Ontario, whose work they do. This bill has been designed as best it could be designed, in my respectful view, to ensure that this will occur.

I want to begin by emphasizing that, as every honourable member knows, there is no subject that attracts more public interest, and perhaps with reason, than the potentiality that a member of the Legislature or a member of the executive council has exhibited a conflict of interest. All members will know there is no certifiably acceptable way to resolve the problems this potential presents.

There are a number of legislative responses in other provinces which are different than this, and honourable members will want to canvass very carefully the alternatives that have been adopted elsewhere. It is for that purpose that we expect and are content, if there is no objection—indeed, even if there is an objection—that the bill should be submitted to a committee so that the views of members can be taken in that environment about the strategies we have devised in order to deal with this extremely difficult problem.

The problem really presents four features that I would just like to touch on before I go on to describe the nature of the bill itself.

The first feature and the first difficulty in this exercise has always been to define what is a conflict of interest. Until an effort is made to do that, we do not know the evil to which the legislation is to respond. Defining a conflict of interest has never been a simple matter. It is one of those things like an obscenity: you may not be able to define it but you sure as hell know what it is when you see it. That metaphor was not from my prepared remarks. I just threw it in to give the honourable members opposite some sense of what we are trying to discuss here.

The point I want to make is that the first starting point must be the question of a definition, and the definition is never an easy question. I suspect when certain reports now reserved by

judges and submitted to the federal government are made public, members will see that there is a wide variety of ways of defining a conflict of interest.

We have selected a definition to which I will come, and I will be grateful to have the views of all honourable members on whether that definition is too broad, too narrow or what modifications might be proposed with respect to it.

The second exercise here, once a conflict of interest has been defined, is to attempt to develop a scheme that will permit honourable members to avoid occasions which give rise to that conflict. So the second issue is avoidance: What rules can we establish, “conflict” having been defined, that will reduce the number of potential conflict situations and permit, or if not require, members to avoid what we in my church would call those occasions of sin?

1520

The third exercise in dealing with conflict-of-interest legislation, it seems to me, is to develop a scheme which will permit full disclosure to the public. I want to emphasize that, because that has not been a characteristic of most conflict-of-interest legislation in this country, and a number of strategies have been developed at various levels of government precisely to preclude full disclosure to the public. The blind trust and operations of that type, which do not require the disclosure of the assets subject to the trust, is only the most common example.

So the third challenge for us was to devise a bill that would require, with some modifications but generally speaking, full disclosure to the public certified by a commissioner. The purpose of that, of course, is not to satisfy the curiosity of the public, let alone the curiosity of the opposition or our own party, but rather to allow the opposition, the governing members and the public to judge whether the conduct of a member of the executive council or a member of the Legislature was likely to be in conflict in respect of a particular issue because of the economic assets he held.

It seems to me, if I may say so, that one of the most important features of this legislation should be our commitment to disclosure. As I say, federal legislation does not require this in the same way. Provincial legislation in Ontario has never required this in the same way, but this bill is founded on disclosure which, at the end of the day, will allow the public and our colleagues to judge most effectively whether we have as legislators or members of the executive council

found ourselves in positions of conflict which we have been unable to resolve.

The last feature that was very much in our minds as the bill was drafted for presentation to the House arises by virtue of the experience many of us here have shared over the past two years. In the past two years, in this House, there were allegations of conflict of interest made against at least two honourable members. I have nothing to say about that except to observe that the only method of resolving that conflict, either affirming that it existed or, perhaps more important in some cases, judging that it did not, was a committee representative of the House.

Now I have nothing to say about the work of the committee over the past session, particularly as the chairman of the committee is present today, but I simply observe that if that kind of allegation were made today under the old rules about a member of the executive council, the committee that heard the charge would be a committee which, according to our way, represented the House and therefore would be dominated by government members. And though it may not be true to say that anybody over the past two years lacked confidence in the minority nature of the committee that dealt with the previous charges—though, in respect of some of the members—well, we will just leave that.

Mr. Breagh: That's a boy.

Hon. Mr. Scott: Was I right to leave that? All right.

One would not care to say that a committee established in a minority government would not be able to do justice between a member and the House when an allegation of conflict arose, but I do believe there would be a real perception that a committee dominated by a government majority might not be able to do that justice, whether that was true or false.

In other words, in this House the traditional way of judging whether a conflict exists is a House committee and that committee, with the greatest respect for the work it tries to do under very difficult circumstances, will not always be perceived as fair, quick or, most important, independent as between the member and the House.

The other traditional method in Canada of determining whether a conflict of interest has been made out—and I say in parenthesis that we will always need a mechanism to determine whether a conflict has been made out, no matter how the bill is expressed—has been a royal commission.

In the past two years we have had an example, for the delectation of members, of that exercise. It is fair to say that it may be that such an exercise is independent in so far as it may be presided over by an independent judge with tenure for life, but it cannot be said that it is quick and it cannot be said, because of the media treatment that such an exercise always receives, that the result will necessarily be fair in the public mind to the principal actors.

The fourth major challenge for anybody attempting to draft a conflict-of-interest act is to develop an independent mechanism which will be able to respond to the question: Was there a conflict of interest when the member voted on this bill, when the executive council member approved that program? So much the better if that independent commissioner can give advice to members beforehand, because surely the exercise here is not simply to catch out those who do wrong. The exercise must also be to assist those who want determinative guidance as to what it is right to do.

It was those four major challenges that we had in mind when we drafted the bill. I recognize from statements that have been made here and outside this place that the response of all members to that challenge will not be the same as the response the government has selected. It is for that purpose that I frankly look forward to taking this bill to committee and reviewing it with all honourable members.

The first challenge has been met essentially by our effort to define "conflict," which we do in section 2 and, in an extended definition, in sections 3 and 4.

Section 2 reads: "For the purposes of this act, a member has a conflict of interest when the member makes a decision or participates in making a decision in the execution of his or her office and at the same time knows that in the making of the decision there is the opportunity to further his or her private interest."

A conflict exists not when a wrong is done but when a member is put in a position where his duty to the public in making a decision conflicts with his private interest. Having found himself in such a position of conflict, the minister or the member has the obligation to exit the situation by declaring a conflict in the traditional way, with which municipal councillors will be familiar, and refusing to participate in the decision.

The point I want to make to honourable members is, I think, understood; namely, that all of us will at one time face conflicts of interest because all of us have private interests. Many of

us, if not all of us, will be invited to make decisions, whether it is voting on a bill or approving a program in committee or in executive council, that may advance or handicap our private interests.

I live in a house in ward 6 in Toronto. I conceive it might be said that if this government introduced market value assessment, which I am led to believe will increase my tax rate but not the tax rate of other municipal taxpayers by \$400, it may be said that my private interest as the owner of my house was in conflict for a moment with my duty to decide what was best for all ratepayers in the city or all ratepayers in the province. I would have a conflict. There would be nothing unusual about it.

1530

Members will have these conflicts regularly as they survey the private interests they have and their public duties. Respectfully, the trick is to face up to that reality, to acknowledge that the conflict exists and to withdraw from the decision-making capacity or the vote that would represent that they have succumbed and submitted to the conflict. The commissioner is here to assist all honourable members to do precisely that.

When you understand conflict of interest in that way, you will see why it was our decision, subject to what this assembly may say, to apply the conflict rules not only to executive council but to all members, because it follows that all members will be just as susceptible to potential conflict as members of the executive council. They will have the same private interests, or private interests of character and dimension. Indeed, because they will be entitled under our bill to carry on businesses, it may be that they will have more private interests.

They will be faced with the same public duty from time to time. Perhaps it will not be an obligation imposed on them in precisely the same way, but to vote on a bill, to participate in committee in moving or voting on an amendment, particularly in times of minority government when some of the oddest amendments proposed by the opposition got passed, will put an individual member in a position of conflict of interest. This bill is designed to recognize that reality by applying the principle to all of us who come here anxious to discharge our public duty.

The definition of "conflict of interest," which is found in section 2, is, in effect, expanded by precise prohibitions in sections 3 and 4. The first, section 3, is utilized to deal with what marginally in the notice is called "insider information." It says, "A member shall not use information that is

gained in the execution of his or her office and is not available to the general public to further or seek to further the member's private interest." In other words, beyond making a decision—and section 3 will be a matter of interest if you look at the case of a prominent federal cabinet minister much in the news—where no decision was made, but where information available only to the member of the executive council was used to advance a private interest, that is an expansion of the definition.

Section 4 is an expansion based on influence: "A member shall not use his or her office to seek to influence a decision made by another person to further the member's private interest."

So I believe we have not necessarily a perfect definition of that juxtaposition of private interest and decision-making or duty which gives rise to a conflict, but a workable definition.

I ask honourable members to assist in committee by applying their minds to this critical question of definition, because I think we all share, as one, the sense that conflict should be defined in an appropriately broad way so the public interest is advanced but, at the same time, with sufficient clarity so that members and the commissioner may be able to judge when the conflict actually exists.

The second important feature, responding to the second problem to which I initially referred, is that the bill requires full financial disclosure of the members' interests, the interests of spouses and the interests of minor children. This permits a public record to be made of virtually—I think I am correct in saying this—virtually all assets of those three categories: the member, the spouse and the minor children.

Now, I ask members to consider the desirability of full disclosure for the reasons that I have given, but honourable members will also want to consider whether the net is broad enough, and that presents for all of us a major difficulty. Should it be that adult children should be obliged to disclose? Should it be that spouses of adult children should be obliged to disclose all their financial circumstances? If you go that far, why not the minor children of adult children and their spouses, and why not the spouses of those minor children? So what you see—

Mr. Wildman: Spouses of minor children? Wouldn't that be unusual?

Hon. Mr. Scott: Certainly. It happens. It happens especially in the north. The honourable member will know that.

The question is, in other words, that the bill is based on the proposition that disclosure by near

relatives should be required, just as is disclosure by the member himself or herself. Everybody understands that one's family network will be close and tight or broad and loose depending on one's personal relationship to those members. But a line had to be drawn somewhere, and I understand that the case for drawing the line in any particular place is very difficult. There will be those who say that, in this day and age, spouses of members who may be engaged in a perfectly lawful business earning their way should not be required to disclose their affairs for all the public to see.

A strong case has been made to me in the drafting process that if, in the late 1980s, we believe in the entitlement of spouses—usually, in this context, women—to make their careers and advance their interests, we should not impose on them—whether they be doctors, lawyers or clerical workers—the obligation of disclosing to the public everything they own and everything they have, simply because they had the misfortune to marry or enter into a relationship with a member of the assembly. But we have made that difficult choice against that interest and have recognized the practical reality that spouses should be compelled, in so far as they can be compelled, to full disclosure.

We have done the same thing for minor children. We have not done so for adult children, and a case can be made that we should do so. I suppose the case could equally be made that we should do so for parents. There is the necessity of drawing a line at some point, and I will be very interested in committee, or indeed in the speeches that follow, in hearing where that line should be drawn. There is no difficulty as a matter of principle, it seems to me, in drawing it here or there. There is simply the issue of what is appropriate in all the circumstances of the case in Ontario today so that disclosure can be obtained in the interests of the public but yet so that people will be allowed to carry on private business, as they would be allowed to do if they were not members in this place.

Those rules of disclosure apply to members. There are special rules that apply to members of the executive council, and those rules essentially are found in section 7, which provides:

“(1) A member of the executive council shall not,

“(a) engage in employment or in the practice of a profession;

“(b) carry on a business, including the management of personal financial interests; or

“(c) hold an office or directorship other than in a social club, religious organization or political party.”

What is the purpose of that rule? The purpose of that rule is not merely to require that the member of the executive council shall devote his full time and attention to government business. It will have that salutary side-effect, but its purpose is precisely to reduce the occasions which may give rise to conflict.

1540

Now, it does not—and nothing could—reduce them to a vanishing point, and again the issue about whether the reduction of the potentiality for conflict in the members of the executive council is not an issue of principle; it is simply an issue of whether the line has been drawn at the right place.

Even those, you see, who say that members of the executive council should be required to divest do not mean what they say, because they never require you to divest yourselves of everything. They require you to divest yourselves of certain things, leaving the potentiality for conflict with respect to the other things where divestment is not required.

As the honourable members can see, for example, if a garbage dump is being voted on in the executive council—and that happens from time to time—and it is going to be placed immediately on the ravine lot next to my property, it goes without question that I would have a conflict of interest if I proposed to vote on that project. Divestment would not solve that problem.

It is true that divestment would reduce significantly the number of conflicts that might arise, just as section 7 intends to do. Again, in deciding where the dividing line is, it seems to me that in committee, members will want to take account of the interests on both sides. Divestment, prohibitions against honourable members from carrying on businesses—because we must not restrict this to the executive council—the purpose of this is not to require your full attention to the job; the purpose of this is to avoid conflicts. I presume if that is its purpose, an argument could be made that it should be extended to all honourable members, or that divestment should be extended to all honourable members.

If members say, “That is silly. Honourable members do not make real decisions,” I ask them to look at the history of the last two years, when from time to time I used to begin to wonder who the government of the province was. So did the honourable members opposite, as they are plain

to point out. It may be that the present disaffection of the Leader of the Opposition (Mr. B. Rae), which is so apparent on his face as he comes gloomy into this hall daily at 1:30 p.m., is simply a function of his observation that his governing days are over.

But all that having been said, it must still be recognized that honourable members, in committee and in the House, can change laws and do change laws, and are therefore just as susceptible to positions of conflict, though perhaps not as many in number, as those who are in executive office. So if a theorist, a purist were to say, "Nobody here should carry on any business," again we have—

Mr. Wildman: That has been happening here since November 3.

Hon. Mr. Scott: That is certainly true in the case of the honourable members opposite, who are getting quite used to and quite comfortable with it, as a matter of fact. We know the member for Oshawa (Mr. Breaugh) is going to be up every day. He is allowed one question, only about housing, never about his own party. We understand that. The member for Leeds-Grenville (Mr. Runciman) has not been allowed to say a word about French-language services from the day the House began, and we know that is because the fix is in.

Mr. D. S. Cooke: I heard him one time.

Hon. Mr. Scott: The member heard him one day? It must have been in the antechamber.

However, it is an exercise in line drawing. We have decided that it is not an appropriate response, particularly in the light of the kind of emoluments that are available to honourable members, regrettably, to require honourable members to give up the right to carry on a business or to manage a business or to take outside employment.

I think it is important to understand that when honourable members opposite do that, they will be in positions of conflict from time to time. When one honourable member in the last session became an employee, as he was perfectly entitled to do then and is entitled to do under this bill, of a prominent drug house, when there was a drug bill before the House, he would face a conflict of interest as defined in this act or as defined by any typical authority. His obligation would be to—

Mr. Breaugh: He just couldn't get his Maserati headed in this direction often enough, that's all.

Hon. Mr. Scott: Yes, but he is learning.

Under this act or any other, his obligation would be to declare that conflict and to absent himself from that part of the decision-making process.

In other words, our bill draws that line in favour of the right of individual members to carry on businesses and to take other employment. This is not a full-care-and-attention provision. It is a provision designed to reduce occasions for conflict, and we think that the present proposal is sufficient to reduce to a manageable level the likely occasions of conflict that ordinary members will confront.

With members of the executive council, on the other hand, we have taken a different view: that they should be prohibited from doing any of those things, because it simply escalates the occasion of conflict.

There will be those like the professor emeritus of political science at the University of Toronto, who writes to the *Globe and Mail* and the *Toronto Star*, but the *Star* three days before he writes to the *Globe*, and who is the—

[Failure of sound system]

Mr. D. S. Cooke: That's the same way you guys handle your press releases.

Hon. Mr. Scott: No, and who will be—honourable members will want to hear this—and who will be, if this legislation is passed, to his embarrassment, obliged to file a disclosure statement under this law, which we will all pore over on this side of the House. That professor says that divestment is the solution for cabinet ministers. He does not propose, interestingly enough, divestment for his old colleagues in the major opposition party. He proposes divestment only for executive council members.

We have drawn the line against divestment and we have done that, to be perfectly frank, because we believe that it will not induce people in Ontario to run for public office if they understand that the measure of their success in that run will be marked by increasing divestment of their assets. That is a judgement we have made, and I look forward to hearing the views of other members of the Legislature on that very difficult question.

I should say one other point about executive council members. Under most conflict-of-interest schemes that are incorporated by statute and under many which are found only in guideline form, a member of the Legislature or a member of the executive council who is required to stop carrying on business is entitled to transfer his business to some kind of trust, usually a blind trust. The purpose of this blind trust is that the

management of the business will be remote from the honourable member and that he will not know the assets that that business acquires. We believe, and I believe the history of federal conflicts in the last two years illustrates beyond doubt, that people do not believe blind trusts work. Therefore, we have consciously elected to abandon that mechanism as a solution for the operation of a business that was owned by a member.

What we have said in its place is this: The member may assign his business to a manager. The manager will be approved so that his arm's-length relationship is documented by the commissioner. It will not be any old manager; it will be any old manager approved by the commissioner.

The second thing is that the manager will be under a contract in statutory form which prohibits him from taking instruction from the beneficiary of the trust but which requires him to disclose assets acquired to the beneficiary.

1550

People may ask: "Why do you take the blinkers off the trust? Why do you force the member to know what he owns?" That forces him to know what he owns so that he will always be obliged to judge whether his private interest, what he owns, is in conflict with his public duty, what he votes on, what he decides, and so that he will never be able to say in good conscience: "I didn't know I owned that. I didn't know we had those shares. She never told me." He will always know, and our evidence that he always will know will be the trustee's statutory obligation to tell him.

Then if the honourable member fails to protect himself by asking for an opinion from the commissioner or by declaring a conflict and failing to vote, absenting himself from a vote, he may have an explanation, but it will never again be the explanation: "I didn't know I owned those assets. I didn't know I had acquired that property or that value."

I believe that, increasingly, students of conflict of interest are recognizing that the blind trust, so well intentioned in its origin, has failed and that the only replacement solution is either divestment, which we have rejected, or arm's-length management with full disclosure, which we have accepted.

The third element of the bill is the appointment of the commissioner and a process which will permit all honourable members to obtain the advice of the commissioner. In my respectful view, this is critically important, because while

honourable members are going to be deemed to know what they own, and while we assume they have the wit, and will have the wit, to know when they are about to take a decision, it is not always an easy question to determine whether there is in an objective sense a real conflict.

One of the problems is that all of us are obliged to take that decision with whatever advice we can get to hand, often in only moments, on very short notice. It is inevitable that the best-intentioned and most honourable people, in making that judgement, will either abandon their duty to vote wholesale out of fear or will from time to time make the wrong decision.

In my view, that is unfair to honourable members, indeed intolerable to the process of which honourable members play a part, and there should be an avenue so that honourable members who seek it can ask somebody else to make a judgement on the objective facts of their case by applying the definitions under sections 2, 3 and 4 and have reasonable security that if the facts presented to the commissioner were accurate and full and complete, they will then escape the criticism that they have acted improperly.

The fourth major characteristic of the bill is the creation of a mechanism, not simply for the provision of advice from the commissioner but rather a mechanism which ensures that an allegation made by one member against another that a member has acted in a prohibited way, or in a situation where there was a conflict of interest, can be adjudged decisively, fairly and economically, so we will never again have to face in this chamber the unfortunate spectacle, which nobody sought to bring on us but which was imposed on us, of asking committees of the assembly, usually perhaps dominated by government members, or committees of the assembly in a fractious minority situation, to set themselves up as judges on such an important, critical matter relating so closely to the integrity of a member.

As all honourable members will understand, if an allegation of conflict of interest is made against a fellow member, there can be no allegation that strikes more directly at his reputation for integrity, for honesty and fair dealing in the community. There can be no allegation that strikes more directly at the way in which he has discharged his obligation as a member of the assembly. When that allegation is made out, it is an indictment that may survive for a long period of time and that may be impossible to escape.

I believe all honourable members believe that we should have a mechanism that is independent,

that is fair, that is quick either to point the finger at those who have failed the standard or to exonerate, even more important, those who have not but against whom the unfortunate and damaging allegation has been made. I believe that this mechanism is as close as we have yet come to devising an appropriate response.

I want to say two other things about it. I think it is critically important that the mechanism we use, whatever it is, be a mechanism that is nominated by and within the control of the assembly. I also think it is critically important that it is not a court or a judge, not because I have any sense of inadequacy about the capacity of a judge to, from case to case, decide these matters, but because I believe this is a function that the assembly, through its agents, should provide and that we should not give over to outsiders, no matter how experienced and intelligent they may be.

I will stop shortly, all honourable members will be pleased to hear, because I want to hear from my colleagues about this bill. If I may just predict for a moment what some of them are going to say, without actually spoiling it for any of the members by saying it, they are going to point to deficiencies in this bill.

They are going to say, "You do not cover this, you do not cover that, perhaps you have covered that improperly," and so on. That information is going to be extremely helpful to the government and to the committee which ultimately comes to consider the bill, and we want to consider it carefully. We are engaged in a novel exercise of attempting to develop in statutory form, for the first time in Ontario, conflict guidelines and remedies, and we are anxious to have all the help we can get.

But I ask honourable members to note that there is no scheme at the end of the day that will uncover every cheat or every dishonourable person. This bill cannot be and, as a credit to this institution, should not be directed at the lowest common denominator.

In other words, we should draft this bill, conscious of the obligations it imposes on members, conscious of the extent to which it now requires divestment for some honourable members and also conscious of the fundamental reality that, though our answers may be poor, the questions may be stupid and the bumbling through from day to day is more protracted on some days than others, almost every person who has served in this assembly—I am sure since Confederation, although some of the early cases

raise doubt—attempted to discharge his obligations with honour, and so it will continue to be.

This act is an effort to set guidelines and a mechanism in statutory form, not a police bill, and I ask the honourable members to review it in that way.

1600

Mr. Breaugh: I want to say at the outset that we will support the bill in principle. We have called for a legislative response to this vexing problem for some time. I am pleased to note that the minister is prepared to send it off to committee, because I really think this is a bill which has to have the committee forum. It cannot proceed in any other way.

I would also say it is a bit unfortunate that this bill was not done during the minority, because this falls into the category where a minority Legislature would have provided us with a better bill. Through a variety of unfortunate circumstances, to be polite, that did not happen.

I do think that one of the principles behind this is, very simply, that a bill of this nature has to be a consensus bill. It must be something that all members on all sides agree with or it cannot be successful. For example, if at the end of this process we are unable to achieve that consensus-building process and we have one political party still saying, "We do not think that is a good bill," the bill has failed. I am afraid that may be the circumstance in which we find ourselves.

I have listened very carefully to the Attorney General (Mr. Scott) this afternoon and I must confess I feel as if I just sat through first-year law at Osgoode Hall, one afternoon's course in legal ethics, which is a conflict in terms, for starters. I want to pay the minister a little bit of credit. This will not take long. I think he has made the effort, from a finely honed legal mind, to do this, and the flaw in that process is that this is in the end not a legal process.

This is not about what we think is a conflict of interest. It is not about whether we fulfilled all the legal obligations that are laid out under this bill. If that is our approach to it, if that is our perception of it, we simply ignore the reality that the public does not leave it up to us to define what is a conflict. We can sit in committee for the next eight years and try to come up with the perfect legal definition of a conflict of interest and the public out there will say: "Wait a minute. What is this? This is not about your determination of a conflict of interest. This is about our determination of a conflict of interest, perhaps over a set of circumstances that you never even thought about."

As a matter of fact, as I looked through the definition that was attempted here, the first thing that occurred to me was that it may well be a conflict and the minister or the member does nothing, has no assets, does not take any act, does not vote, does not support a program, just turns the old blind eye towards something and something happens that is of personal benefit to him. So it is going to be very difficult to do that. I agree that there needs to be something in writing about what we think in general constitutes a conflict of interest, but it is going to be a very difficult process to go through.

Let me lay out some problems I think we have already. In many ways, I am reminded of my days as a teacher, when very often I would go out on the playground and there was some kid who wanted to prove how fast he could run. Very often what happened in that circumstance was that he would line up at the starting blocks and fall flat on his face. He was so anxious to prove to me as a teacher that he was really good, really quick, had a lot of skill, that he just simply could not even get out of the blocks without falling down. In many respects, unfortunately, I feel that has kind of happened here.

The Attorney General is keen. We have to give the AG full kudos for being keen on doing things, and he has a fine intellect at work here. But it would really have been one of those occasions when it would have served him well not to be so anxious to demonstrate his brilliance in front of all of us.

For example, it is not a big deal, but a little bit of parliamentary tradition has been broken by introducing this bill as Bill 1. That should not have happened. Somebody should have told him: "Do not do this. You are really starting off on the wrong foot here. Wait until the second day and demonstrate your brilliance then."

Hon. Mr. Scott: That is not written down anywhere.

Mr. Breaugh: It is not written down, but already the minister has to defend it. That is the wrong way to start the process.

I think there is that kind of problem. Let me point out a couple of other things that I think are really going to cause pain at some point in time. The title of the bill reeks, to be polite about it. I know there is a quaint tradition to say that something like this should be the title of a bill, "An Act to provide for greater Certainty in the Reconciliation of the Personal Interests of Members of the Assembly and the Executive Council with their Duties of Office."

Does the minister know what people in my constituency think of titles like that? The veracity in the title is challenged immediately. When the minister gets that fancy, they say: "Why is he getting that fancy? Why does he not say exactly what he means? If this is a bill to deal with conflict of interest, why is it not called that? Why did somebody go to all the bother of stringing out all these long words?"

In their lifestyle, when somebody lays a lot of long words on them, the red lights go off in the back of their minds. They say: "Whoops, this guy is trying to do something to me. This person is trying to divert my attention. He is trying to sell me a bill of goods." In their life, whenever they see that kind of language used, they know the warning signs should go up: "You better start to read the fine print. Somebody is trying to use vocabulary on me." There is that kind of perception problem that I think has to be dealt with.

There is also another larger one that I think all of us in public life are struggling with. It is that the perception among the population that we are all somewhat less than honourable is pretty well set and the assumption that we could write a law that would resolve this problem is really pretty silly. They pick up on that kind of conflict very quickly.

I believe, having been around here for a little while, that all the members I have met are pretty honourable. I disagree with them and I think they are wrong, but I have not met very many people here who I thought were real crooks who were in this building to write a law that would make them a lot of money, or were in here to take advantage of a whole lot of perks and power and things like that.

Even when I have met some who did those things—and I have met some people who were very powerful and took advantage of their position for personal gain—I would measure that against something that is a little longer than that, that they also put in long hours trying to devise a political system in Ontario that in general was for the betterment of the people they served. So there is that kind of balancing that I think needs to be done.

If there is somebody in here who has never had a fault, who has been totally without sin throughout his entire life, what is he doing in here? He does not belong with this group. This is a group of people, and people have faults and sins and they do wrongful things. Sometimes they do not mean to. It just works out that way; sometimes they do not set out to do things wrong,

but circumstances force them into situations where they make wrong choices.

One of my concerns these days is that, among the general population, those who set themselves up as being without sin are going to get really chastised harshly. We cannot avoid the kind of media influence that has been used on our population over those who said they were holier than everybody else. The holy wars in the United States among the fundamentalist churches spill over into Canada.

The attitude that honourable members are somehow without fault, without sin and would never get into a conflict situation is something you cannot sell on the streets of my community or anywhere else. There is a challenging of the process that is very strong in my community and in other communities I visit around Ontario. Just because you say you are honourable and just because you say you now have a bill that will not let you have a conflict of interest does not mean for an instant that they will believe you. Perhaps that is the way it ought to be.

Let me point out some problems that I think we ought to try to deal with along the way. Those of us who were on the committee I chaired in the last session of this House will know what an awkward, difficult process it is to try to hear allegations against another member that he did something wrong, and will know how tough it is on a day-by-day basis to present ourselves in a committee room here and do something we really do not want to do.

We are not elected to judge one another; we do that on an everyday basis in question period. But nobody wants to get formal about it. Nobody wants to get right down into a committee room and sit, as we did, through a whole summer with camera crews draped all over the place and reporters challenging everybody's word and listening to allegations that were made, because committees of the Legislature are not good places to do that kind of work. That is the work of a court, or of someone else. A committee is not a place where you engage in a lot of cross-examination, where you have the rules of a court system established. It is a different forum.

1610

To balance that against the royal commission, for example, that is dealing with the allegations against Sinclair Stevens, to compare the two processes, I would take the legislative committee process here far and away, from any perspective—from the perspective of costs that the people of Canada are picking up, a huge legal bill on all sides of the issues for a federal royal commis-

sion, on a matter that is not yet decided and yet all the proceedings were televised and all the newspapers were full of stories. This week or next week, or whenever the federal government decides to, the final report will be tabled and it will all be done again. So the matter has not even been dealt with.

At least, warts and all, we dealt with the matters that were before our committee. In mine, as someone who chaired it—again, a difficult role—I felt it was important that whatever we came up with as an answer, as a decision, it would not hang together unless every member of the committee felt that was fair. I know that not all committees went that route, but for me there was no other way. If we could not convince our peers to come to a consensus decision on a matter like that, we contributed to the problem; we did not resolve it.

In the committee I chaired, to give the members their credit, they did the job no one wanted to do and they did it to the extent that they all agreed; the decision was unanimous. It did not mean they were all in love with that either, or even that they all agreed with every single word that we wrote. It simply meant they all felt in the end: "This is what's fair. We may know a lot of things, and we may think a lot of other things, but this is what we can all agree upon." That was the basis of our decision-making process.

I think it would have helped a lot if some of the aspects of this bill had been used in that situation. A committee of the Legislature, I think, is not a bad place to kind of say: "Here are the facts. Now you make the political judgement about whether your peer behaved or misbehaved."

I think a commissioner could have gathered up those facts much better than we could, could have presented a report for a committee to deal with, and the committee could have done the sanctions part, if you like. I think that is conceivable.

I am not enthralled with the notion—in here there is a proposal, for example, to fine people. This is not really one of those areas where fines seem particularly appropriate to me. Are we really saying that if someone was guilty of a conflict of interest and therefore can pay a couple of thousand dollars, or up to \$5,000, the conflict does not exist any more? This is one of those "hang 'em or let 'em go" routines, in my books. I do not believe that the fine proposal is appropriate here.

I understand that for me, if you said to me, "You've got to pay a \$5,000 fine, Mike," that would hurt me a lot. That is \$5,000 I do not have

just now. I also know there are members in here that, if you said to them, "You've got to pay a \$5,000 fine," that is kind of pocket change for those folks.

In any event, I do not believe the fine mechanism is an appropriate one here. If a member behaved properly, he or she should be exonerated. If they did not, they ought to be out of here, and I call it in those harsh terms. I know that is a difficult judgement to make, and I know you may want to say, "Well, we'll just say you were a bad person and this is a bad mark on your record; try to get re-elected with that one hanging around your neck," and maybe that is acceptable.

I want to point out a couple of holes that I think are here; the Attorney General addressed one of them, so I think I want to start with that.

I do not believe this is one of those types of legislation where you can say to divest or not: "We're going to make them all divest everything they have," or "They do not have to divest anything."

I do not see it in those terms. This is one of those areas where I think what is important here is that the commissioner must have the power to say to a member of the cabinet or the assembly, "This is a very serious conflict that you're in, and there is no way that you can eliminate the perception of that conflict in the public's mind unless you get rid of those assets."

I do not think that should happen very often. It is kind of tough for me to envisage just when it would happen. But I do know that the judgement call cannot be left to the member. If we are to use a legislated approach here, which is the option that is being presented, the power to make that decision cannot be in the hands of the individual member. It must be upon the advice of the commissioner.

There are situations I can conceive of where there is no way to remove the conflict other than to require that the member divest his or her interest. I believe that is going to be true.

The minister can agree or disagree now or reject that notion now or when it goes to committee, but I will tell him today and he will hear it again: He either accepts that concept that some conflicts will be important enough that the commissioner should have the right to cause the divesting to occur or we are going to be right back where we were a year ago. That is fact. He can like it or not like it, believe it or not believe it, but it is not going to go away. There is no amount of filing, disclosing, putting together of pieces of paper or of yelling "Mea culpa" that will remove that, so hear the message:

I believe the commissioner, very simply, ought to be able to advise a member that he really should get rid of it, and ought to be able to say to some, "You have to." That call should be the call of the commissioner. It should not be in the judgement of the member, although I quickly point out that there will probably be a lot of occasions when it would be sensible for the commissioner to say to a member: "Listen, there is going to be an ongoing conflict here of a large nature. In my view as a commissioner, it is not one which is really that serious but it is going to cause aggravation for you and you had better think about whether you want to just get rid of this store, this interest or this piece of property or live with the consequences of that afterwards."

That is really political advice, not legal advice or anything else. It is somebody saying: "Listen, be aware that there is a problem here. If you want to live with the pain, fine." But he should also be able to say, "This would be an intolerable conflict and you must divest that."

Let me deal with one other area I did not hear the Attorney General say anything about, but I have heard him on previous occasions so I know he kind of believes this is a different ball game.

Hon. Mr. Conway: Can you flesh out an example, Mike, or a fuller example in that case?

Mr. Breaugh: Yes. The government House leader has asked for a little fuller example. I will be as specific as I can and try to be polite. We cannot have a minister of northern affairs who has an interest in a large business concern in northern Ontario. He could say that is a political judgement call, but I am telling him that sooner or later it will be more than a political judgement call. If I were the commissioner in that situation, I would say: "You should be aware of this. Here are the situations where, if these fall into place, you are going to have to divest yourself of your interest in that firm."

Just to explore it a bit further, we could say, "Well, it is full disclosure so everyone will know there is a conflict." It does not remove the conflict. We could say, "Well, he has to get somebody in to manage it." It does not remove the conflict. There is nothing we can do that will remove that fundamental conflict of interest while he has shares in that company.

Hon. Mr. Conway: Stay out of office.

Mr. Breaugh: Stay out of office, maybe; not assume a cabinet portfolio.

Some of what I think we are getting to in Ontario, in Canadian politics, is that some people are going to have to lose some of the old assumptions that you could occupy positions of

great power in both government and business. I believe more and more that this is becoming difficult to do.

I remind members, to use the federal comparison, that much of what was in the nature of allegations against Sinclair Stevens was pretty common practice for many years in our federal Parliament. It was not uncommon for family members of a cabinet minister to be very prominent in the private sector, very aggressive in pursuing the formation of government policy and very aggressive in pursuing the actual use of taxpayers' dollars to fulfil their desires in the private sector.

Just so we do not point the finger totally federally, I remind members that at the heart of the Caplan inquiry here, that was the gist of the allegations. That gets me to the next point.

I think that at the very least we have to establish the beginnings of a registry for people who would be, broadly termed, lobbyists. I do not mean to say that in itself does very much except it begins to say, "Here is an industry that is growing in Canada and needs to be regulated, even self-regulated, if that is the best we can do," but first we need to identify that.

1620

Who are these people who move around the halls of power and represent the private sector and, sometimes, the public sector? We should be clear. We do not mean to talk about the Ontario Association of Interval and Transition Houses. That is not what we mean by a lobby group. We do not mean interest groups who come down here on the environment and stuff like that. We mean—I mean—people who are paid, who are professional, in-the-business folks, who consult, who lobby government, who act for the private sector and perhaps even for the public sector, and get large gobs of government money.

I am not interested in registering somebody who is in here to get \$800 for the peach festival in Niagara. That is of no concern to me at all. I am interested in somebody who is full-time in business, getting millions of dollars in government funds to build whatever they are building these days.

I want to point out to the government again—they can reject this idea now; they can kind of get it off the plate, they can pay no attention when it goes to committee—that this is another one that is going to haunt them. This is another fact that is not going to go away.

Let us not dilly-dally around. The Solicitor General (Mrs. Smith) happens to be a very fine person who is married to a very prominent person

in the building industry in Ontario. He builds big projects, lots of them with government money. The government is going to have to register or clarify that relationship in some way.

There are some things in here that in a sense come from another era. I listened to the Attorney General give his reasons for the definitions of spouses: for example, why children who are under age are included and why children who are over a certain age are not. This is a very difficult area to get into in a modern society.

Without casting any personal opinion on modern society and how it behaves, let members try to think in their own mind of a legal definition of a spouse that would apply in their communities. If we use the traditional concept that a spouse is somebody who is married to someone else, run that through your block and see how far you get. See how far in your own communities that definition will hold. Does it apply in this instance? Is it workable?

I have my doubts about that. I think we have to concern ourselves with that just a little bit and in a very old-fashioned, traditional sense. Are we interested in preventing someone's wife or husband from functioning with the government, but the mistress would be OK? Is that what we are trying to say? I do not think so. The traditional definitions that we reach for here do not quite fill the bill.

One of the flaws, in part, I see in this act is very simply what I said initially. This is not something that really fits nicely into the legal definitions of all these things. The use of a law, which I support, is a little awkward here. I would say that in the broadest sense, the definition of conflict of interest is awkward and difficult for us.

Maybe that is not exactly where the problem is. Maybe it is not essential right now that we give the final definition on conflict of interest when we draft this bill. Maybe what is more important here is the principles that are involved, that there is a legislative process at work, that there is a commissioner at work, that there is a way that things have to kind of be made public and the disclosure provisions will work. That, I think, goes to the next little thing I want to talk about, which is the process of it all. Again, we are off on the wrong foot.

I wish it were true that we could all stand up and laud the appointment of John Black Aird as the interim commissioner. I really wish it were. I wish we had done that after the government had suggested his name, when we sent it off to a legislative committee, where everybody could get to say: "I think he is a real good guy. I know

him. He is a very distinguished Canadian. He would certainly be great." I wish we had the opportunity to do that. I think at some point we will all wish we had done that, because the commissioner who is envisaged in this bill is someone who gets a great deal of trust from the members of this assembly and from the people of Ontario, and it is absolutely critical that nothing can be seen really to be wrong with that appointment process.

The sad fact is that what has happened is that he has been appointed interim commissioner and the bill implemented before it was introduced in the Legislature of Ontario. We have the process backwards here, folks, and that is going to have ramifications on someone who is a very distinguished Canadian.

We have questions already in question period daily now about, "What ever happened to the disclosure provisions?" and people responding saying, "Well, it's public disclosure but it's secret for now." I am sure that makes sense to the people who are responding. I am sure that when the Premier (Mr. Peterson) and the Attorney General have answered questions, they felt they were giving sensible responses.

Do you know what my constituents think about secret public disclosure provisions? They think they are real dumb. They do not believe you can have secret public meetings. They believe that if it is something to be publicly disclosed, it is done that way and you do not file them secretly and then make them public at your pleasure or when you think it is appropriate. That does not work.

They believe that when there is a disclosure provision in a bill such as this one, all you do is say, "This must be made public by this date." It is not acceptable to say: "It'll be ready when we think it is ready. It'll be disclosed when we're ready to do that." The fact that you say "when we're ready to do that" ruins the public disclosure part of it.

I think what is missing through all of this is the other angle, the public perception, which maybe members of the assembly can give it when we process this bill. In the end, I hope we are not trying to design a bill here that establishes kind of an insider's guidelines on how to do things and that in the end is used as some kind of defence mechanism, because you cannot win that. Sometimes I wish you could. Sometimes I wish it were so that members of the assembly had the final word on all of this. They do not.

You can try as much as you can to convince yourself that you have done everything humanly

possible, but in the end you have to realize it is not your call. You do not get to make this judgement. In their own weird and wonderful way, the people out there will do that for you, and they will resist mightily any attempts you have made to say, "We are without sin." They do not believe you, they do not have to believe you and they will not. You can make an argument, as has been made in here, that while this disclosure stuff is all going to be made public some time and you may feel that is good enough, the public does not.

Let me close by offering an unfortunate prediction. I hope this really does not come to pass; I have some fears that it will.

It must be awfully tempting for a government that has a huge majority to kind of say: "Let's give this a little song and dance here. We'll whip this out to committee and whip it back in, but when the votes are called we'll do what we want to do." The Liberals can do that, and I do not deny for a moment that they can do that, but the public will kill them with it.

If this government, on a matter such as this, where its past is a little hazy, to be as polite as I can, just a touch hazy; not quite as clean as it would like to be—

Interjection.

Mr. Breaugh: I did not say we were without sin. I never make that claim.

An hon. member: The last time you said you were without sin you lost your job.

Mr. Breaugh: Nothing serious; do not worry. I appreciate the concern.

To get back to the little warning I was trying to give the government as gently as I could, it can exercise its majority, no question about that, but I want to go back to something that I said initially because I believe in it very strongly.

If this bill in its final form is not acceptable to everybody, it does not work. They can pass it, but it will not work.

I am concerned that may be where we are at. I am concerned that we would go through all this pain and aggravation and consideration and just plain hard work and in the end come up with a bill that does not really resolve the conflicts. It resolves them in the Attorney General's mind, maybe even in my mind, but we may well have opposition questions—and I will not be doing this. I guess maybe I can get it out today because I am not going to be the one. I cannot stand this kind of stuff, it is just not my bailiwick, but fortunately there are enough around who want to do it.

1630

I think the allegations of a conflict will come hot and heavy against our Solicitor General, the Minister of Health (Mrs. Caplan), the Minister of Northern Development (Mr. Fontaine) and the Minister of Labour (Mr. Sorbara). We can name them, who they are going to be, because the conflicts were there last time around and have not gone away, and this bill will not take them away.

Interjection.

Mr. Breagh: Well, there may be some opposition members who kind of get popped in the head a couple of times on this. But I will tell members, the political reality is very simply this: You could yell all day long that somebody on this side of the House had a conflict of interest and it is not going to be such hot news at all. You might make the *Toronto Sun*, but I think you are going to have a tough time making the front page. But when it is in the cabinet, that is where the heat is.

Interjection.

Mr. Breagh: The member is not even in his seat and he is heckling me; this is awful. He is usurping some more powerful person's seat. The member should not sit in the seat of the Treasurer (Mr. R. F. Nixon); he is the most powerful person in here.

An hon. member: You can take this and the freedom-of-information act.

Mr. Breagh: Yes, I know. To make the point: It is the kind of occasion when consensus-building ought to be the order of the day. The government will ignore it at its peril. I have some sense that perhaps, for whatever reason, the Attorney General is not going to be really amenable to a whole lot of amendments to the bill. I have some sense of how hard he has worked on the bill to fulfil it the way he sees things. That is fine for him, but it is irrelevant for a lot of the rest of us.

This is one of those areas where the best that we can do is to try to design a bill which is not a big legal pain in the rear, lower-back area. These bills can be that. We have all had a chance to visit other jurisdictions and talk about how they did this in a legislative form, and many of them report that all this really does is result in a tremendous filing of pieces of paper; it does not really do anything else. This bill has some measure of that in it. That would be a shame.

I believe we need to try to make that consensus work. I believe we need to simplify in many ways what is in here and to make it something which is acceptable to members on all sides, because I believe that is important; something that has a kind of dispute-solving process at work, and that

is important; and something which the public perceives to be a reasonable way to go, a reasonable law that the people in Ontario would expect and be happy to live with themselves.

It should not be based on the assumptions that the members of this assembly are in some way better than everybody else in Ontario, because the members here are not. We should understand that our traditions of saying that we are all honourable members are very venerable ones, ones that I personally like a lot, but they do not carry a whole lot of weight out in the streets of anybody's community. They need a mark which they can understand and against which they can measure everybody's performance.

The problem is that the mark will move around a little bit. They might think that something is really important today, and yet a year from now it is not important at all. A situation that could cause great conflict and that we were not able to think of when we processed this bill may emerge a year or two from now.

So I think we have embarked on a process that is important, perhaps more important than many of us would like. It is something which now clearly has to be done. I think we have learned in the last couple of years what not to do. I think we have yet to learn how to put it together in a way that is acceptable to everybody, that is reasonable to the members, that the public can understand and that takes into account the public's perception of the political decision-making process.

I want to close by saying regretfully that I do not think this is going to go away, no matter what we do with this bill. Regrettably, I think there are going to continue to be allegations made of wrongful conduct. I do feel sad about that because many of the people who will be accused are people whom I know and whom I believe to be reasonable, honourable people. They do not mean to be caught in these allegations, but they will be.

I think that is unfortunate, but I guess it is now part of the political process that we are all involved in. There are allegations made about people in just about every level of politics now, and many in the media, in particular, seem to be fascinated with how far they can go with these allegations. This bill deals with the traditional question of who can make money off public office. The allegations are going far beyond that in many other jurisdictions.

We support the bill. I do not particularly think we need another great, huge debate on the matter, since we have had a couple of shots at it so far. We may have one or two other speakers,

but by and large we have tried to make our position clear on the matter.

It will be critical that it go to committee, that it get a reasonable reception there, that we try to work out our differences and that we try to get a bill which, if not all members, then at least most members in most political parties find is acceptable to them. That is probably not the case right now, and I think we have our work cut out for us, because I believe that, in the broader picture of things, it is important that an act of this nature be put in place, that it follow roughly the principles that have been put in this bill, with one or two additions, and that the additions be important enough for the government of the day, even with a huge majority, to pay some attention to them.

With those few words, I will conclude my debate for now and look forward to participating in the construction work that will be done in committee.

Mr. Eves: I am pleased to rise this afternoon to speak to this proposed legislation on behalf of our party. I also would like to indicate that our party will be supporting the proposed legislation in principle.

I think this is a very important bill, because it sets forth a proposed new law in the very important area of conflict of interest. I am somewhat relieved the bill will now be going to committee for review and discussion, because I believe the bill is somewhat inadequate and perhaps, in a couple of respects, seriously flawed.

For years the province has operated under a set of premiers' guidelines. For example, from 1972 until 1985, former Premier Bill Davis's guidelines were in effect. I just want to review these guidelines for the benefit of members in the House because I think there are some important aspects to those guidelines—not to say, of course, that they are the answer to everything. In fact, I think they need to be much improved upon, but in some respects they require a much more difficult onus than the proposed new law does.

These guidelines required that:

1. Members of the cabinet, their spouses and minor children publicly disclose their business and land holdings, whether they were direct or indirect, except for property that was occupied for their own personal residential or recreational use for themselves or their dependants;

2. During their time in cabinet, such members and their families were prohibited from purchasing, directly or indirectly, land or interests in land in Ontario or interests in land development companies carrying on business in Ontario;

3. No private company in which a minister or his family had an interest could become contractually involved with the government of Ontario;

4. If a matter involving a personal beneficial interest came before the ministry for which the minister was responsible, the minister was to have requested that a colleague be officially appointed to act for the ministry concerned for the purpose of dealing with that matter;

5. While holding office, ministers were to abstain from day-to-day participation in any business or professional activity;

6. Ministers had to disclose any change in their holdings of any types of property originally disclosed by them;

7. With respect to share interests in public corporations, ministers and their families divested themselves of such holdings or, as an alternative, placed all such holdings in the hand of a trustee, provided, in the latter case, that ministers exercised no control whatsoever over the investment decisions or management of the trust;

8. Land holdings were disclosed within a few days, all else within a month, and trusts were established and disclosed.

From 1985 until the fall of 1987, guidelines of the present Premier were in effect. They were the same as the Davis guidelines, with a few important exceptions. The exceptions were:

1. Companies in which the minister or his family had an interest could become contractually involved with the government of Ontario if the holdings had been placed in a blind trust;

2. It was now the duty of the trustee to notify the Office of the Premier that a matter affecting the interest of the minister had come before the ministry so that a colleague could be appointed to act for the ministry for the purposes of dealing with the matter;

3. As well as divesting or placing their interests in a trust, ministers and their families could, in instances of a closely held family company, establish frozen blind trusts. That is, the trustee simply holds the assets rather than invest them or dispose of them.

1640

The Bill Davis guidelines worked, and worked very well, for a great number of years. I believe they did because the Premier and the ministers of those days took their responsibilities in this regard quite seriously. A very high premium was placed on integrity and public perception of integrity. I think one only has to look at a couple of examples, of George Kerr and Frank Miller, to

understand that that was the case. The Premier responded to his responsibility and acted on it.

The Peterson guidelines, over a much shorter period of time, did not appear to work so well, I believe because the Premier and some of his cabinet colleagues did not choose to take the guidelines perhaps quite as seriously as they should.

The Premier did not pursue matters of alleged conflict. For example, in the case of the member for Cochrane North (Mr. Fontaine), he insisted right until the 11th hour that there was no breach of conflict whatsoever, despite the fact that an all-party committee of this House found there was. When the Premier was finally forced to admit that a conflict had indeed occurred, he labelled it as merely "a technical breach, nothing serious."

The judge in the case of Réal Levesque said that politicians must realize that the breaching of such guidelines did not constitute mere technical violations, but that such breaches were indeed very serious matters which could cause grave problems, even lead to the commission of an offence by an otherwise law-abiding citizen.

The Premier has changed the guidelines so they correspond to the provisions of the bill before us here today. This bill is basically identical to the one presented to this House in the last session. Both our party and members of the official opposition would like to see the bill in some respects made much stronger.

Despite objections to the two previous bills, the Premier has changed his guidelines to match the flawed proposal and has even even proposed to appoint a commissioner under a law which does not yet exist. I and my colleagues agree the time has come to move away from guidelines and pass a law, legislation, dealing with conflict instead.

Recent scandals at both the federal and provincial levels of government have resulted in increased cynicism towards politicians on the part of the public. I believe that the level of integrity and public morality of elected and appointed officials can no longer be seen to be a political game, one in which the standards upheld by public officials are left to the whim of the elected government of the day.

Recent experience has shown us that guidelines work well when the government of the day has a commitment to upholding and enforcing them. When the government is indifferent to guidelines or takes them lightly at best, the whole system falls into disrepute.

It can no longer be a game in which discovery of abuses is left exclusively to the vigilance of opposition parties or the media, a game in which happenstance and circumstances often dictate which abuses will be discovered and which will not, and a game in which such discoveries of abuses provide points for the opposition parties and the press, becoming just so much ammunition in a war of political words.

We must focus very clearly, I think, on what the public fears. The bill should not just be a scattering of ideas on conflict of interest. It must clearly and concisely address those areas which the public wants addressed. What is the public concerned about? What the public fears most is that an individual charged with making or influencing government decisions, mostly on matters of finance, grants or contracts, could use his position to derive a financial benefit. My party will be thinking about moving amendments to ensure this objective is more closely realized in this piece of legislation.

As well, in order to lessen public cynicism, there is a need to ensure that the conflict process itself is seen to be free of conflict. For example, as my colleague the member for Oshawa has pointed out, we have a commissioner appointed by the Premier. I believe it is very unfortunate indeed that the commissioner could not have been appointed by this Legislature. His independence immediately becomes suspect. I am not questioning for a moment the integrity of Mr. Aird. In fact, I think he is an outstanding individual and a good choice. But the problem already is that it was not done properly, that the government of the day did not care enough to do it right.

How can it appoint a commissioner under an act that does not even exist? We may as well all go home. What are we here for? What did we get elected for? We are here to make those decisions and not for the Premier and his adviser to make them behind some closed doors and shove them down the throat of the Legislature a few weeks or a few days later.

I think the commissioner in this act is being placed in a very difficult if not totally untenable position. He is expected to be lawyer, policeman, judge and jury in conflict-of-interest matters. He is expected to advise members on conflict, but then the same person turns around and investigates complaints of a breach. This is somewhat akin to discovering that the lawyer whose advice you have taken will now become the police officer investigating the alleged crime which results. He then also is expected to become

the crown attorney and decide whether or not charges should be laid. If charges are brought, he then becomes the judge and jury deciding guilt or innocence and recommending punishment.

I think they are placing the commissioner in a very untenable position indeed. Perhaps some amendments should be considered to ensure that there are diverse roles and responsibilities not falling to just one individual.

Under the current bill, I think members have a set time in which they must file their disclosures with the commissioner. That is fine. There is, however, no time limit on when the commissioner must make these disclosures public.

The peculiar nature of the executive council is not adequately recognized by the bill, either. The members of cabinet, unlike members of the Legislature, are not elected to those positions by members of the public. They are chosen and appointed to those positions of power and influence by the Premier. I think we should at least consider amendments to ensure that the bill reflects this very important point.

This is the third bill on conflict of interest which this government has introduced. While my party will be moving some amendments to try to improve this piece of legislation, as I am sure the official opposition will as well, I am made somewhat cynical by the fact that the government has agreed to send this bill to committee for review and amendment only after obtaining a majority and when the likelihood of opposition amendments passing is very remote. I want to make it very clear that in the last parliament this same government absolutely refused to send this bill to committee. The only way it went to committee was with the combined opposition and dictates of the New Democratic Party and our party as well.

I think we should reflect for a moment upon what has happened in instances of alleged conflict under the Bill Davis guidelines and the action the Premier of the day took then in the cases of Mr. Kerr and Mr. Miller. Compare that with the current government and a Premier either unwilling or unable to enforce his own conflict-of-interest guidelines.

One minister took months to file a statement. Two were found by an all-party committee of the Legislature to have a conflict. Under the Davis guidelines, you had to file within 30 days. Under the new act, Bill 1, it is proposed that you have 61 days to file and there is no time limit set for public disclosure.

Under the Davis guidelines, no private company in which a minister or his family had an

interest could become contractually involved with the government. I think that is very important. Under the proposed legislation, you do not have to divest; you just have to disclose your conflict and then carry on with it. You do not have to do anything about it. You can still make money from the government that you are a member of.

One has to ask this question: Is this government really serious about improving existing conflict-of-interest legislation and guidelines or is it not? If so, is it not fair for members of the public to assume that the conflict requirements will be strengthened, not weakened, by new legislation?

This legislation appears to lessen the requirements for cabinet ministers and certainly lessens them for parliamentary assistants while increasing requirements for ordinary members. Does this government feel that the Bill Davis guidelines were too strict and it has to water them down for parliamentary assistants and cabinet ministers?

1650

One cannot help but be left with the impression that the Premier is trying to absolve himself of some sort of responsibility for the positions that he appoints. Should he not be somewhat responsible for the people he appoints to cabinet or as parliamentary assistants or deputy ministers and for ensuring their compliance with these guidelines? He claims that he is. He told the Windsor Star on September 18 that he personally planned to review the disclosure statements made by all cabinet ministers and satisfy himself about them. We would like to know whether he has done so.

Could the Premier tell this House whether he or any other members of his cabinet would have had to divest themselves of interest in companies doing business with the government had the old Bill Davis guidelines been in place? If so, who are they, how are they in conflict and will he ensure that they are either removed from cabinet or change the legislation to put that onus on them?

Can the Premier explain why he believes it is appropriate for a member of the government's executive council to retain an interest in business benefiting from taxpayers' and public money so long as everybody knows the member is benefiting from it? Is this the new, tough conflict-of-interest legislation? Public perception in these matters is very important, as my colleague the member for Oshawa has mentioned. The very least that should be happening right now is that

this government and this cabinet should be complying with existing guidelines, until Bill 1 becomes law in whatever form.

The government's whole attitude and approach to dealing with Bill 1 is the epitome of arrogance and disregard for democracy in this process and this Legislature. There is an assumption that the bill is going to pass without amendment. We do not need public participation; we do not need public hearings; we do not have to have a comparative analysis of the jurisdictions elsewhere that have conflict-of-interest legislation and guidelines.

Surely there should be no member of the executive council who could meet the new bill requirements but could not establish guidelines set in 1972. Is that desirable? Surely these members of the executive council, if they have such interest, should be made to divest them. Why are parliamentary assistants not treated the same as cabinet ministers under the proposed new rules? They have the same access to information that cabinet ministers do, unless parliamentary assistants over there today are a lot different than when we were in government.

Unless a member is nothing but a bumboy for his minister, if he has some real meaningful input into the ministry of which he is the parliamentary assistant, he should be offended by this piece of legislation. He has access to documentation and decision-making and he should be subject to the same sort of criteria that cabinet ministers are, as indeed should senior civil servants and confidential staff members, some of whom have a lot more influence, as I am sure those in cabinet have already discovered, than a lot of cabinet ministers themselves. They are not just ordinary members of the Legislature; they are privy to confidential information.

I have already indicated that I feel that the commissioner should be chosen by the House, not by the Premier. I think that is very important. We have a need for a commissioner as a watchdog for conflict of interest, as an auditor of public morality. We cannot expect one individual to act as adviser, judge and jury. It is not fair to that person and it is not fair to the system or the public. You cannot advise people, then rule on the advice that you have given. There is some need for an advisory body, individual or group of individuals, perhaps even in the Ministry of the Attorney General, who could perhaps forward to the Premier advice and statements and, when he is satisfied, forward it on to the commissioner to ensure compliance.

If a problem is perceived, I think we should in committee at least give some thought to a committee of the Legislature reviewing proposed conflicts or perhaps conflicts of interest that individual members may have. I think time limits are definitely needed for filing public disclosure statements. Right now we are operating in a sort of Never Never Land, as indicated by our leader's question in the House this afternoon. Disclosure statements should be in the hands of the commissioner within 30 days and should become public within 60 days. Now the legislation is very open ended, "as soon as practicable," whatever that means. Pardon members of the public if they grow cynical.

Ordinary members are not the same as members of the executive council. One only has to sit in the back rows of government benches or in the opposition for a few weeks to understand that. They are not privy to the same types of confidential information. The onus should be somewhat less for private members than it is for members of the executive council or parliamentary assistants. Members are not appointed by the Premier; they are elected by their constituents.

I have mentioned the need for senior civil servants and confidential staff to be included in this legislation. Their onus too, in many instances, is much greater than that of back-benchers. They too are appointed, not elected.

One has to wonder why statements of disclosure have not been filed with the Clerk of the House within the 61 days. I would say to the Attorney General that we can read and have read the bill and wonder why there is no time limit set. I wonder why now we are looking at two weeks, coincidentally when we are about to adjourn, before we are going to get this information.

I think this bill should indeed have public hearings and we should have a comparative look at other jurisdictions with respect to conflict of interest. I want the Attorney General to know that I am approaching these committee hearings with an open mind and I hope he is as well, because I have some serious concerns which I have expressed here today. There have been some very serious concerns expressed by the member for Oshawa as well.

I think enough has been said on the proposed changes or amendments that could be made to the bill. I look forward to participating in the committee process in the spirit of co-operation. I hope the Attorney General will seriously consider some of the suggestions made by myself and my other colleagues. I am happy it is now going

to committee and I look forward to participating in that open, public process.

The Deputy Speaker: Are there any comments pertaining to the member's statement? I should have asked that before the last speaker but I did not. I apologize. If no comments, does any other member wish to participate in the debate?

Mr. McLean: I am pleased to have this opportunity to review my thoughts on Bill 1, the conflict-of-interest act. Right off the bat, I want to say that I am puzzled by the thought of calling this a conflict-of-interest act. As far as I am concerned, I think this bill will not put an end to ministerial conflicts and it is certainly not very interesting.

The government says this bill will replace existing guidelines for legislative standards. It is supposed to establish a code of conduct for all members of this Legislature; it is supposed to create a broad disclosure rule for all of us here in the Legislature, our spouses and children; it is supposed to lead to the establishment of a system that provides advice on compliance available to members; it is supposed to create a method of determining and sanctioning breaches of the act, and it is supposed to establish the Legislature as the body responsible for sanctioning members found to be in violation of the act, with those sanctions to be recommended by a commissioner who will administer the provisions of the conflict-of-interest act.

That is what this bill is supposed to do; however, this bill will not apply to confidential staff; it will not apply to senior public servants; it will not apply to parliamentary assistants unless they are elected members, and it will not apply to lobbyists.

I noted earlier that this bill will require all private members to disclose their interests. I do not think this is necessary. Rather, private members should be required to abide by the provisions regarding bribes, undue influence, gifts and having to disclose a conflict of interest if a matter is brought before a committee of which they are chairman or a member.

1700

These are rules that we have lived by for years in this province under the Legislative Assembly Act, and I believe those rules have served the people of Ontario well. The problem of conflict of interest did not come along because private members violated the Legislative Assembly Act or the conflict-of-interest guidelines. This controversy came about because two members of this government's executive council failed to comply with existing legislation or guidelines.

Why penalize private members for the failings of this government's executive council?

Private members like myself are not privy to the same confidential information that ministers are, nor are we apprised of government policy that is being considered. Therefore, the need for disclosure by private members is not a real one. Instead, it is a red herring to mask the failings of this government's ministers or members of the executive council.

The bill removes the responsibility for overseeing compliance and determining enforcement when the act is breached from the Premier, where it rightfully belongs, and places it squarely on the shoulders of a commissioner and this Legislature. The Premier has shunned his responsibilities with this bill, which places on the commissioner the responsibility for investigating possible breaches.

This is completely wrong. The proper forum for the investigation is an open legislative committee and not behind the closed doors of a commissioner's office. This bill does not include confidential staff who are currently covered by the Premier's conflict-of-interest guidelines. Why have they been deleted from this bill? They should be added to those covered by this conflict-of-interest bill. Since senior public servants are also privy to confidential information and can influence government policy decisions, they too should be included under this act but, as it stands now, they are not.

I find it extremely interesting that the government chooses not to include persons of the same sex who are living together under the government's definition of "spouse." Is this just an oversight? I propose that they too should be brought under this act.

Despite the political resurrection of two former cabinet ministers who were involved in scandals last year, this government has decided to appear as though it is tackling the thorny issue of conflict of interest. The government points to this bill as evidence of its commitment to squeaky clean government, but I say this act is not really as tough as it should be. In fact, this act is considerably weaker than guidelines that were set in place approximately 13 years ago.

How is it weaker? Under the old guidelines, private companies in which cabinet ministers had an interest were not allowed to receive government contracts. But under this bill we are discussing today, such companies will be able to receive government contracts as long as the minister has placed his or her interest in a so-called management trust that is administered

by a trustee operating at arm's length. From that, I can only assume that it will now be possible for companies in which cabinet ministers have a substantial interest to carry on doing business with and for this government. That alone makes a mockery of this bill.

The old guidelines obliged cabinet ministers to sell their interests in companies to allow those businesses to apply for government money. I maintain putting cabinet ministers' interests in blind trust or in management trusts will not eliminate a conflict where a private company is involved, because the minister still owns the assets in that trust.

This bill will require members and their spouses to disclose their interests or holdings to the specially appointed commissioner, who would then make that information available to the public, subject to certain restrictions, of course. But I believe that paints all members with the same brush. That is being used because executive council members went astray in the past, but we are not all the same. I certainly do not want to be lumped into the same category as executive council members who failed to live up to their responsibilities and I do not think any other private members in this Legislature want to be either.

We in this Legislature should stop the passage of this bill dead in its tracks, right now, and have it sent to public hearings so we can hear from provincial legislatures across Canada on their experiences with this kind of legislation. There are two sides to every argument: there are good points and there are bad points. Let us hear about the good points and adopt them. Let us hear about the bad points and discard them. I am committed to public hearings on matters such as this bill and I believe a failure to do so could very well result in legislation that is not workable, not fair and not without flaws.

In the final analysis, the thought that we are even considering a bill of this nature is a sad commentary on this government. If this government had been able to comply with its own guidelines in the first place, if this government had cared about the guidelines, if the Premier had carried out his responsibilities in the first place with respect to enforcement, we would not have to be looking at this legislation to ensure that all members remain honourable members.

The sins of this government are being visited upon all of us in this Legislature today, and I do not like that. I feel extremely uncomfortable with this bill. I find this bill to be weak, distasteful, degrading and seriously flawed. If we do

anything in this Legislature about Bill 1, it should be sent to public hearings where it can be thoroughly aired. Believe me, this will need some airing; in fact, it needs a great deal of fresh air.

The Premier is hiding behind the commissioner, whom he intends to call upon if there are any conflicts. He does not intend to take any responsibility for his leadership, with his executive council. I am very concerned about this legislation and I hope it gets a good airing in committee.

Mr. Pope: I was moved to rise to participate in this debate because I accept neither the mental gymnastics of the Attorney General in his presentation of the bill in the Legislature this afternoon nor his selective rewriting of history that led to the development of this legislation in this House.

The Attorney General in his opening comments indicated that conflict was like obscenity: difficult to define, but you know what it is when you see it. We are at this stage today, in this issue, in this Legislative Assembly, precisely because the Premier and the Attorney General and the Liberal Party of this province did not know what conflict of interest was and could not accept the reality of it when it was staring them in the face.

The Attorney General also advanced in his opening comment the proposition that the only method of determining if conflict exists under the current situation is to have a committee of this House meet to determine that subject matter and that because we are now in a majority government situation, that committee would be controlled by the government and by its members and, therefore, there would not be the public perception of fairness or adequacy given to a review of whether a conflict of interest exists.

I also reject that notion because it is factually inaccurate. Since the first conflict-of-interest guidelines were introduced in 1971 by the then Premier Davis, it has been the Premier of this province who has had ultimate responsibility and authority in matters of conflict of interest. It has not been left to a committee of this Legislative Assembly to determine; it has been up to the Premier, using his best judgement, for which he is accountable to the members of this assembly and the people of Ontario.

The Attorney General may not have realized that, as he only joined this body in 1985, but that is fact. It has always been the Premier, accountable to the Legislative Assembly and the people, who is the ultimate judge. It is the Premier and

premiers right back in our legislative history who have had to answer to the opposition in question period and in debate for the conflicts of interest of the members of their executive councils. It has always been the Premier who has been answerable to the press and to the people of Ontario for the breach of conflict-of-interest guidelines by the ministers.

1710

That system worked prior to 1985. I had been here eight years before that, and other members have been here longer than I have before 1985. Allegations of conflict of interest were treated seriously by the Premier of the day. They were addressed immediately. Resignations were sought and obtained, and resignations were voluntarily given when the Premier made a determination, based on all the facts and information at his disposal, that indeed a conflict of interest existed.

This Premier had a unique understanding of the conflict-of-interest guidelines and he had a unique understanding not in keeping with parliamentary tradition or history. He had a unique understanding of his responsibility and authority in matters respecting conflict of interest.

I was on the committee that looked into the alleged conflict of interest of the member for Oriole (Mrs. Caplan), now the Minister of Health. We had the Premier before us, and it was a sorry spectacle of a person who had ultimate responsibility in the tradition of our parliamentary democracy, trying to be flippant. At eight o'clock in the evening, he tried to be flippant as he was on his way out to the airport to head west, saying that he really did not take too much time to examine the issue. In retrospect maybe he should have, but he really did not want to be bothered, then or in the future, exercising his responsibilities and obligations to all of the people of Ontario for the conduct and the conflicts of interest of the members of his executive council. True to his word, he did not accept his responsibility and authority.

Today we have this piece of legislation which embodies in legislation that attitude so clearly expressed in the summer committee hearings on the allegations of conflict of interest of the member for Oriole. So let us be clear on the genesis of what is being proposed today by the Attorney General.

The genesis is the failure of the Premier of this province to accept his traditional parliamentary responsibility and the failure of the Attorney General of the province of the day to make sure there was proper advice given to the Premier of

the province when there were conflicts of interest. That is the genesis of this legislation, and none other. It is rooted in the unanimous findings of fact of two committees of this Legislative Assembly, unanimous findings of fact by members of all political parties, over what was going on in the Peterson cabinet after the election of 1985. That is the genesis of the bill, and none other. It is rooted in the embarrassment, political and otherwise, of this government through the fall of 1985 and all through 1986.

Just how this government and this Premier have played out this piece, I think, is rather revealing. When the former member for Brantford first raised allegations in this Legislature of conflict of interest involving Wyda Systems (Canada) Inc., Damaza Consultants Ltd. and the spouse of the member for Oriole, there was a mad scramble over there—and the Attorney General was involved in it—to prepare statements. In fact, the Attorney General was at one meeting—briefly, he says. There was a mad scramble to prepare a statement for the Premier of this province. The Premier of the province stood up and said: "All of these issues are troubling to me. They are of great concern. I think it is time that the Davis guidelines of 1971 were reviewed."

What the Premier just happened to forget to inform the members of this Legislature or the public of Ontario was that, nine months before that, he had already done the review of the Davis guidelines and had a set of his own—that was not common, public knowledge—that was delivered—and this was found unanimously even by the Liberal members of the committee—to parliamentary assistants and to ministers, and to no one else. He had already watered down the guidelines from Premier Davis's days and was embarked on administering a new set of watered-down guidelines. But the Premier forgot to mention that little fact in his first full and complete statement on the matter concerning Wyda Systems and IDEA Corp. He just managed to forget that very important item. That is the genesis of where we are today in conflict-of-interest legislation.

It is clear that from the outset in 1985, this matter was not treated in the traditional sense by the Premier of this province and by the employees of the Attorney General, who have a responsibility to administer the guidelines of 1985 and, before that, the guidelines of 1971. It is clear that this proposed legislation, which will be carried with the majority of the Liberal Party in this Legislature, is really here to regularize what it has already decided to do anyway. It is all so clear that this government has already

embarked on a course of action that breaks and defies the spirit of its own legislative proposal.

It has been almost three months since the events of September 10, 1987, and we still have no public disclosure of the holdings of the members of the executive council of this province; this from a government who made this the number one bill in the Legislative Assembly—surely a token gesture when you see what has happened since September 10 in terms of public disclosure under the old guidelines, the 1985 guidelines or the spirit of Bill 1. I would have thought, just in passing, that the government would have taken this opportunity, in introducing this piece of legislation for second reading today, to table the public disclosures of parliamentary assistants, ministers and members of the executive council to start with a fresh face on conflict-of-interest matters.

I would have thought that, after two years of delay, it would have filed the Ontario Securities Commission investigation into PEC Financial Corp. I would have thought that, a year and a half after they were started, it would have tabled today the results of the Ontario Provincial Police investigations that have gone on over the past year and a half concerning conflict of interest and what was alleged to be, by the chairman of the Ontario Development Corp., criminal fraud. I would have thought that the government would have wanted to put all of this information on the table and finally close the book on this sorry chapter of Liberal irresponsibility with respect to conflict of interest in this Legislative Assembly. But no, we have none of that.

Instead of that we have an attempt by the Attorney General to rewrite history, ignoring all of this. We have an attempt at mental gymnastics to try and justify what cannot be justified, given the history of this. I think it is important because there are some members here who were not present in the last session of the Legislative Assembly, who were not elected before September 10, 1987. I think it is important that we really give some detailed context for this Bill 1, introduced by the Attorney General of the province.

I am not even going to quote from the second Report on the Allegation of Conflict of Interest Concerning Elinor Caplan, MPP, by the standing committee on public accounts. I will not even quote that, because there we had a division on partisan lines. I am just going to quote the unanimous factual findings of the standing committee on public accounts, the first Report on the Allegation of Conflict of Interest Concerning

Elinor Caplan, MPP, because I think it is important to put this into a context for the new members.

First of all, I refer the members to page 12, paragraph 1. This is a unanimous finding of fact:

“On September 14, 1972, the Honourable William Davis, Premier of Ontario announced the guidelines. These guidelines were identical to those issued by Premier Peterson in September 1985...save and except the following.”

This gets to the principles of the bill, which is why I want the members to understand this. The Premier’s guidelines were the same as the Davis guidelines except:

“(a) the ‘blind trust’ provision did not permit a private company in which a minister or his or her family have an interest to become contractually involved with the government of Ontario; and

“(b) they did not contain a ‘contractually involved’ exception clause permitting a minister to enter into a contract with the government which is provided for by legislation or regulation and which, by the terms of the legislation or regulation is available ‘evenhandedly’ to all members of the public.

“(c) there was no option of a ‘frozen blind trust.’”

I think it is clear—and the committee unanimously found this—that the Premier’s guidelines of 1985 were not as strong. In case someone jumps up and takes exception, we did not use the word “strong.” I think the member who is just walking into the chamber will correct me.

But they were different from the Davis guidelines. Our perception was that there were more exceptions to the conflict-of-interest provisions and more ways of putting assets into a variety of legal mechanisms or frameworks so that you did not have to divest. The hallmark of the Davis guidelines, of course, was divestment.

I would then refer the members to a unanimous finding of fact, paragraph 4:

“At the end of April 1985 Wilfred Caplan terminated his association with PEC Financial Corp.” That is the same PEC Financial Corp. that I alluded to earlier as being subject to an Ontario Securities Commission investigation which has now lasted two years without a report being issued. This has been raised time and time again in this Legislature by members of this party because the report has not been issued.

He “terminated his association with PEC Financial Corp. as its secretary-treasurer and chief financial officer. Mr. Caplan had had an association with that company from 1978.” Unanimous finding of fact.

"8. During the latter part of May, Dobzinski was introduced to Wilfred Caplan by Wyda's legal counsel as a suitable choice for Wyda's financial adviser. At their first meeting, they discussed Mr. Caplan's experience, IDEA," which is a crown agency, "as a potential investor in Wyda, and in general terms various alternatives to Caplan's retainer. The evidence is unclear as to the precise date when the initial retainer was finalized. It was, however, concluded some time prior to June 16, 1985.

"The terms of the initial retainer included the following." I cite this because there was some indication at some point in time that there was no economic benefit gained out of these arrangements. The terms of the retainer, as unanimously found by the committee, including the Liberal members on the committee, were:

"(a) \$2,000 per month in full satisfaction of expenses incurred;

"(b) five per cent of the equity of the corporation plus \$50,000 upon the closing of second-round financing obtained by or through the efforts of Mr. Caplan."

By the way, it is clear later on in the evidence that no second-round financing was obtained through the efforts of Mr. Caplan and, therefore, the five per cent of equity plus the \$50,000 never kicked in. But the initial part of the retainer is for \$2,000 per month on account of expenses. By the way, that is subsequently altered, as the committee unanimously found:

"The percentage equity and lump sum payment components of the retainer were subsequently changed as a result of negotiations between Dobzinski and Wilfred Caplan culminating in the retainer evidenced by the January 31, 1986 agreement.... In all the retainer was changed at least five times. At all material times Damaza billed Wyda on a monthly basis for services rendered and was paid accordingly."

So there was a transfer of funds.

The next important and salient fact, I believe, for the understanding of the history of this legislation is paragraph 12:

"On June 2 and June 6, 1985, Elinor Caplan had, respectively, lunch and a telephone conversation with Fleischmann, during which he congratulated her upon her election to the assembly and offered his assistance as an old friend of the family. There is no evidence that either of these discussions included particulars of Wyda or IDEA. Following these events, Fleischmann both organized and sold tickets for Elinor Caplan's fund-raising breakfasts."

That is a unanimous finding of fact, and I want to read the whole paragraph again so you see the balanced point of view. I want to repeat: "There is no evidence that either of these discussions included particulars of Wyda or IDEA."

"13. Wilfred Caplan, through Damaza, started work for Wyda around June 14, 1985. From that time through to June 16, 1986 he performed," Wilfred Caplan, "all required financial and related administrative services for the company," the company being Wyda; and Wyda, by the way, subsequently obtained from IDEA Corp. \$3.1 million of taxpayers' money. "He was designated as Wyda's vice-president of finance and administration and was so described in business cards...correspondence issued in the ordinary course of business, and documentation issued by Wyda promoting investment. Throughout this period he conducted company business on Wyda's behalf with numerous individuals, including Wyda's accountants, lawyers, bankers.

"14. On June 17, 1985 Damaza issued its first invoice for consulting services to Wyda for the period June 17 through July 16, 1985 in the amount of \$2,000.... In fact for all of the following months up to and including April 16, 1985, invoices were issued monthly for the same amounts and were paid by Wyda." By the way, that should be April 16, 1986. It is an error in the transcript.

"During the period of his retainer, Wilfred Caplan incurred certain out-of-pocket monthly expenses averaging \$1,700.

"15. On June 24, 1985 Eberts"—Mary Eberts, referred to in this paragraph 15 as Eberts, who was a member of the Peterson transition team—that was unanimously found to be the case—"and Wright"—Blenus Wright, an employee of the Ministry of the Attorney General—"met with Wilfred Caplan to review the circumstances of his previous and current business activities, the Damaza retainer with Wyda, and Wyda's potential involvement with IDEA or ODC.

"Eberts' notes...taken at this meeting record the following:

"Arrangement with present client—receiving equity might be sensitive—'

"Clearly—withdrawal his only option'

"—prepared to do whatever is necessary—Elinor to sell—'

That related, by the way, to the member for Oriole's shareholding position in Damaza, which she did sell, and immediately, from all of the information we have.

"Eberts, in the presence of Wright, clearly advised Wilfred Caplan that the retainer with Wyda as it then existed and, particularly, the equity and lump sum payment contingencies as they might relate to funding from provincial sources, would violate the guidelines and that the only remedy was not to continue his association with Wyda.

"She clearly advised him that he could not under any circumstances, be on the 'front line' of any negotiations on behalf of Wyda or any company with whom he or Damaza had similar arrangements in respect of any efforts for provincial funding." A little while later in this report we find unanimously, including the Liberal members of the committee, that in fact he had been present at meetings with IDEA Corp. personnel at which not only the final investment sum but also the payout of investment dollars to debtors of the companies was ultimately finalized. "It is significant that she did not distinguish at all"—"she" being Mary Eberts—"between any services performed by Wilfred Caplan personally or through his corporate vehicle, Damaza.

"It does not appear that Eberts or Wright were advised at this meeting nor at any time thereafter that Wilfred Caplan was held out as Wyda's vice-president of finance and administration nor were they aware of the nature and extent of his duties and responsibilities in that regard." In other words, there was no disclosure. "It also does not appear that they were ever made aware of or ever asked to give advice on the extent of Wilfred Caplan's dealings with IDEA representatives."

1730

Mr. Fleet: On a point of order, Madam Speaker: I am trying to follow what is being provided by the member for Cochrane South (Mr. Pope). I have a hard time relating it to the rules of this House, the standing orders, and specifically 19(d), rule 4, about unnecessarily reading verbatim from any documents.

This is a matter which is supposed to be dealing with a bill before this House. We are hearing history read to us from a document which does not appear to be relevant to the current bill. It would appear that if the point was to be made, it was made perhaps in the first couple of sentences. The reading of the report itself is not relevant to the bill.

The honourable member is perfectly entitled, as I understand the rules, to make his point but not to read on unnecessarily. There does not seem to have been any point in the latest ramblings of the member.

The Acting Speaker (Miss Roberts): I appreciate the honourable member's position with respect to this, but I ask the member for Cochrane South to continue.

Mr. Pope: Thank you very much, Madam Speaker. I can understand why a Liberal member of this Legislature, the Liberal member for High Park-Swansea (Mr. Fleet), thinks that the conflicts of interest unanimously found to be so by this Legislature with respect to one member and found by a majority to be so with respect to another member have no relevance to the conflict-of-interest legislation. I can understand why the Liberal member for High Park-Swansea feels that the conduct from 1985 that led to two parliamentary committee investigations has no relevance to the Members' Conflict of Interest Act. That is precisely the point we are making, that they are of relevance.

Mr. Fleet: Just don't read for ever about something that doesn't concern this bill.

Mr. Pope: You have been here since the early part of November and you are already an expert. It is interesting to see that.

Mr. Fleet: You can read the relevant parts.

Mr. Pope: In any event, I am not quoting unnecessarily from the record, in my opinion. Obviously you do not understand what has happened in the past two years, so your opinion is not relevant either, I might add.

I might further add, given the fact that I have the floor, Mr. Speaker—

The Deputy Speaker: Yes, you have the floor but you will also address the chair, please.

Mr. Pope: Frankly, given the length of my speech, my quotes will not be unnecessary nor will they be the majority of my speech. They will be quite in context because I think it is important. Particularly based on the point of order by the member for High Park-Swansea, I think it is even more important that the new members who are just elected understand the context and history of this bill.

The member has proved the point I started to make when I stood up, that the new members have not understood the conflict-of-interest problems of the Peterson government and the failure of the Premier to act on the matter. They have not understood the mental gymnastics of the Attorney General on this matter. It is important that they understand that to give this a context and, therefore, I stand by the point I make and I think it is rather relevant.

Hon. Mr. Scott: Nobody knows more about conflict of interest than the member speaking, so

listen to him. He knows more about conflict of interest than anybody in the House.

Mr. Pope: I have always looked forward to the Attorney General being able to prove what he says and I have yet to see it.

Paragraph 21: "On July 8, 1985, Eberts sent a letter to Elinor Caplan enclosing certain conflict-of-interest forms completed during the transition phase and confirming certain discussions with and advice given to either or both herself and Wilfred Caplan.

"Particularly, Eberts confirmed"—I quote and this is very important:

"As you are also aware, Blenus Wright and I have advised Wilf that contact by Damaza with agencies of the Ontario government looking for investment capital would present difficulties, even if he were not to take an equity in the clients benefited or sought to be benefited. He has advised that he will sever the relationship between Damaza and its present client Wyda, for whom he had planned to seek Ontario government funding.'

"Elinor Caplan did not recall receiving this letter. Further, prior to the commencement of this committee's hearings, she was not aware of the substance of the advice given therein by Eberts.

"Eberts confirmed in her testimony that she intended to include in her advice that Wilfred Caplan not under any circumstances be a 'front man' in any dealings between Wyda and the provincial government, and that the relationship between Wyda and Damaza as described by Wilfred Caplan in the June 24th meeting not continue.

"During her testimony, she"—and that is referring to Mary Eberts—"offered the committee certain definitions of the phrases, 'present difficulties' and 'sever the relationship' which were unique at best." This is the unanimous finding, including the Liberal members of this committee. "She offered the committee certain definitions of the phrases...which were unique at best." At best.

"The committee notes that this letter was written by a qualified professional giving advice to a client in respect of an extremely important matter. The committee concludes that at the time the letter was written, Eberts intended that the phrases in question be understood by the Caplans to have their ordinary meaning."

"Their ordinary meaning," "sever the relationship" between Damaza Consulting and Wyda, do not be a "front man" in the negotiations on behalf of Wyda for provincial government funding from

IDEA Corp.: that was the advice given by a member of the Liberal transition team specifically assigned by the Premier to enforce conflict-of-interest matters and to give advice to the Premier of this province on conflict-of-interest matters.

You will be pleased to know, Mr. Speaker, that I only have four more paragraphs or sections to quote from.

Mr. Harris: In that report.

Mr. Pope: In that report.

I heard someone say, "Why don't we just file it?" I think that is indicative of the attitude of the Liberal government in bringing in this conflict-of-interest legislation: "With respect to all the past problems, let's just file it. Let's pretend it did not happen. Let's pretend there were no findings of fact about conflict of interest. Let's just file it. Let's forget about it."

I would say: "Fine. Let's forget about it, provided the Premier of this province accepts his responsibility, and his alone, for implementing conflict-of-interest guidelines. It is his responsibility alone to answer questions in this Legislative Assembly from the members of this House and from the people of Ontario for the failure of his members, of his executive council to abide by the guidelines on conflict of interest that he put in place or that were in place under Premier Davis."

If he will accept that ultimate responsibility, which is traditional in the English parliamentary system, if he will accept that responsibility which is expected and required from a leader of the government in British parliamentary democracy, if he will accept that responsibility, then we can file it and, in doing so, we will also file this bill that is nothing more than a protracted attempt by this government to evade its responsibilities in the same way it has evaded its responsibilities since 1985 with respect to conflict of interest.

The sad story continues. In the unanimous findings of facts, in report number 1, not report number 2—I will not even refer to that, I will not quote from that report at all on the unanimous findings of fact that even the Liberal members of the committee found to be true. Let us continue with some of the background because it is important to understand what ultimately happened here to \$3.1 million of the taxpayers' money.

The matter that was under the Ontario Provincial Police investigation starting at the beginning of this year, an OPP investigation that seems no longer to be current, or seems to be in limbo, or seems to be still under investigation or study, something like the Ontario Securities

Commission investigation of PEC Financial Corp., something like that investigation—

Hon. Mr. Ward: This is the only speech you have delivered in the last year and a half.

Mr. Pope: I know the Minister of Education (Mr. Ward) thinks that this is something I have talked on before. Perhaps he feels that we have talked about this too much. I guess it gets back to a difference in attitude between the minister and myself. I do not think there is anything more fundamental to parliamentary democracy and the confidence of the people in the cabinet and the executive council of this province than adherence to the conflict-of-interest guidelines.

1740

I do not think anything is more important than public trust and confidence in our parliamentary system and I intend to speak on it again and again until this government understands the importance of this issue and understands the sacred trust it holds on behalf of the people of Ontario. The Minister of Education may not like that. The members of the Liberal Party may not like that, but fortunately I have that right as a member of this Legislative Assembly.

That happened to be \$3.1 million of the taxpayers' money. That happened to include some money that was paid by the taxpayers of this province, including those of Cochrane South, and we are entitled to know what happened to that money and who was involved in it. I intend to tell the members of the Legislative Assembly who was involved in it, unanimously found to be so by the members of all three political parties, because I think it is important to understand not only the context of the introduction of the bill itself but the context of the provisions contained in the bill. I think it is very important.

Mr. Haggerty: Back to page 13.

Mr. Pope: I thank the member very much. Back to page 21, paragraph 24.

"On August 6, 1985, a letter for the signature of Wilfred Caplan was typed in the offices of Elinor Caplan addressed to her on the letterhead of Damaza. The committee has been unable to determine who drafted this letter although it is clear that it was not prepared by Joyce Bryant, Elinor Caplan's personal secretary, the person identified as the author by Wilfred Caplan.

"Regardless of who actually drafted the letter, its content could only have originated from Wilfred Caplan. Further, there is some confusion about whether the letter was ever sent to Elinor Caplan since she has no recollection of its receipt

or its contents and Wilfred Caplan indicated to the committee that he eventually decided not to send it. That notwithstanding, a copy of the letter was sent to and received by Mary Eberts, who retained it in her file. The letter was the last contact Mary Eberts had with the Caplans prior to June 10, 1986.

"The letter confirms advice understood to have been received from Eberts and Wright on June 24th that:

"...I would not violate the guidelines if Damaza Consultants Ltd. was not involved in contacting or negotiating with any Ontario ministry or agency seeking Ontario government funding on behalf of its clients.'"

Of course, that is exactly what happened.

"In describing Wilfred Caplan's efforts to terminate the retainer, the letter stated that:

"'When Damaza attempted to withdraw from its engagement with Wyda Systems (Canada) Inc., Wyda requested that Damaza continue its consulting relationship with Wyda on an internal basis only, with no contact whatsoever with any Ontario government body...Damaza has continued its client relationship with Wyda on this new basis since mid-June.'

"It is clear that Wilfred Caplan attempted to follow Eberts's advice by taking the safest course of action: 'to withdraw.' However, he ultimately chose the alternative course which, although riskier, was believed on professional advice not to 'violate' the guidelines: to continue on an 'internal basis only, with no contact whatsoever with any Ontario government body.'

"It is also clear that this represents the last advice he received from Eberts and Wright on the subject of his involvement with Wyda."

There are findings on page 24, which I will not quote from, but I will refer to the paragraph numbers for the benefit of the members, because I understand they may not like to hear all of this detail thrown before this Legislative Assembly today.

Mr. Haggerty: This is the second round for it.

Mr. Pope: Then I will read it. I think the member is right. I do not want anyone to lose the context.

"33. Fleischmann telephoned Cannon at IDEA on August 16, 1985, to inquire about Wyda's application.

"34. On August 19, 1985, Blakley met Fleischmann wherein they discussed the business operation of InterCorp, IDEA's mandate and funding availability. Wyda's application was mentioned during this meeting particularly to confirm that the product outline and business

plan had been received. Fleischmann did not disclose to Blakley during that meeting, or at any time subsequently, the terms of his retainer with Wyda and specifically that he would receive one per cent of any moneys invested by IDEA.”

Fleischmann, by the way, described himself as—and the committee so found, as it quotes—“a Liberal hack.”

“35. Elinor Caplan met with Fleischmann in her office at Queen’s Park on August 20, 1985. Both testified that Wyda was not discussed at this meeting.

“36. Fleischmann again called Barnes on August 23, 1985, to follow up with the progress of Wyda’s application to IDEA.

“37. Wilfred Caplan informed Elinor Caplan on August 26, 1985, that Wyda had made application to IDEA Corp. for funding.” That is contrary to the advice he received, by the way. “Although Wilfred Caplan did not describe the extent of his involvement with IDEA on behalf of Wyda, he did inform his wife that he had received advice from Wright that he was in compliance with the guidelines.”

There was a unanimous finding of fact by all members of the committee referred to in paragraph 40. Basically, it is that from the very beginning government personnel, personnel of IDEA Corp., a government agency, “were aware of the association of Wilfred Caplan with Wyda and that he was the husband of Elinor Caplan.” The committee unanimously found that to be a fact. In this paragraph, which I will not read verbatim, there are references to memoranda that were issued by Pat Parikh, who was an employee of IDEA Corp.

In October 1985, there were a number of meetings which are chronicled in paragraphs 45 and 46. Those were the unanimous findings of fact of the meetings held between IDEA personnel and representatives of Wyda Corp. at the IDEA offices in October 1985. As well, there are numerous references—this is an important finding of fact. It is paragraph 48 for those who are following this:

“48. As at the end of December 1985, Wilfred Caplan had no direct contact with any IDEA personnel. His function until that point had been to prepare certain aspects of Wyda business plans and financial projections”—they were the basis upon which IDEA Corp. decided to fund Wyda Investments and all these matters are under investigation at this time—“which were provided to IDEA to assist in its assessment of Wyda’s application.”

On page 30 of the report, I will just refer members specifically to paragraphs 52, 53 and 54. It is clear that Wilfred Caplan met with IDEA Corp. personnel in January 1986 and thereafter as the more intensive negotiations on this loan proposal or investment proposal from IDEA Corp. were finalized.

I want to draw to the members’ attention the initial position of IDEA Corp. It was that there would be a \$1-million investment in Wyda Systems (Canada) Inc. After negotiations, some of which involved Wilf Caplan or at which he was present, the amount of that investment was increased to over \$3 million.

As well, the essential nature of the transaction changed during the course of those negotiations, and the committee unanimously found that the essential nature of the investment changed. In fact, some of the long-term and short-term debt was paid out using the investment of IDEA Corp., using the \$3 million. This committee unanimously found that between April 12 and April 30, 1986, over \$2 million of the IDEA Corp. investment moneys were paid out to debtors of Wyda Systems (Canada) Inc., including over \$400,000 to the president of Wyda Systems (Canada) Inc. personally, who is no longer in this country. So in 18 days we had a wholesale dispersal of the public’s money through Wyda Systems (Canada) Inc. to various debtors of the company, and we still have never seen any substantiation or proof of that long-term debt.

1750

There still is no documentation of the money or the debt owed to Grancom or Budgrove that led to the payment to those companies of hundreds of thousands of dollars of taxpayers’ money. We still have nothing more than accounting entries in the general ledgers of Wyda Systems Inc. to substantiate the shareholders’ loan from the president to the company that was paid out, in part using the funds of IDEA Corp. We still have no documentation as to the payments made for equipment allegedly purchased at what we now know to be 20 and 25 times their fair market value—computer equipment. We still have no answers from the auditors of this government, from the Minister of Industry, Trade and Technology (Mr. Kwinter), from the Ontario Development Corp., from the Provincial Auditor, from any external investigation or any internal investigation. This company now no longer operates. It has no assets of note.

There is an argument about whether it has the technology still, I will admit that, and whether

they are protected by patent or copyright law with respect to the technology; but in terms of fixed physical assets, there are none. And guess whose money is gone? Yours and mine: \$3 million of the taxpayers' money is gone. The investment was based on financial plans and projections supplied by Wyda to IDEA Corp., and Wilf Caplan, a spouse of a cabinet minister, had a role in preparing those financial projections and plans.

So members may not like to hear about all of this background to this piece of legislation and the specific provisions in it, I say to the member for High Park-Swansea, but he should hear about it because I do not think it is anything of which a member of the Liberal Party should be proud. Yes, it did lead to some concern in the cabinet of the day about bringing some control over the activities of those who tend to associate themselves with governments in power from time to time. Yes, it did bring about some concern in the cabinet of the day about getting a handle on the matter, investigating the matter and making sure it did not happen again.

No one is saying anything about the role of the cabinet ministers of the day who, I know, were concerned about the matter. What we are trying to say is that the background to this bill is not as it is made out by the Attorney General. In the background of this bill are two investigations undertaken in the Legislature of this province, from 1985 on, with respect to two members of the executive council. The background to this bill is the failure of the Premier of this province to accept his responsibilities, the fact that he sloughed it off in front of the standing committee on public accounts and said, "Someone else should really do it"—the first Premier in the history of Ontario to take that attitude and that approach towards the conduct of the members of his executive council.

What it is about is the fact that this Premier made sure that this bill did not proceed until after the election on September 10. It will now reflect the solution to the issue of the Liberal Party of Ontario as opposed to a three-party solution. I want to say that I was one of the ones, when this matter first arose, who suggested through two intermediaries to the Liberal Party of Ontario that issues like this, until we come up with a combined resolution of it, be looked at by the longest-serving member of each caucus in the Legislature of Ontario, who would assess the normal business activities of members of the executive council and determine whether or not

there is anything unusual in a normal relationship with the government of the day.

That suggestion was rejected by the advisers to the Premier, and so we had the unfolding all through the fall of 1985 and all of 1986 of this sad spectacle. The only response of the Premier of the day was to introduce legislation removing his responsibility in law for the conduct of his ministers. The only response was that he did not want that responsibility. He wanted to give it to someone else whom he would designate—not the Legislative Assembly, not all three parties equally, but a person whom he would designate.

For the member for High Park-Swansea, I have not gone into the detail of some of the other studies on filings of the ministers of the day by law firms in this community. I have not gone into the spectacle of the Premier of this province giving his interpretation of two of those reports and not releasing them to the public, and then when they have become public some weeks later we find the interpretation can be totally different. There is a whole story that is yet to be told to the new members of this Legislative Assembly about the attitude of this Premier and this Attorney General with respect to conflict of interest.

I know members would like me to talk at further length on this matter, particularly the member for High Park-Swansea, who has been intent, on the edge of his seat listening to my discussion.

Mr. Ferraro: Read some more.

Mr. Pope: In fact, now that I think about it—no.

Mr. Speaker, thank you for your indulgence. I thank the members of all parties for their indulgence and I refer them to the report of the standing committee on public accounts with respect to this matter. I think the new members should read it. They also should read the work of the standing committee on the Legislative Assembly, chaired by the member for Oshawa, with respect to this matter to understand the political background, the legislative background and the really historical perspective of what we are about to embark upon.

I think the fundamental responsibility of the Premier should remain. That has always been my misgiving with the legislative solution. I would be the first to admit that that position is not the majority opinion on this matter, but I think it is so fundamental that the Premier of this province accept the responsibility and the authority that has always been vested in him to deal with these matters.

I would hope the members of the Liberal Party and all members of the assembly, when they examine this specific piece of legislation, might think back to the guideline days, might think back to the history of conflict-of-interest matters in this assembly, where members of the opposition exercised their traditional roles in bringing these matters to the attention of the Premier and exerted pressure on the Premier.

We can go back to the days of Darcy McKeough and his problems as Treasurer and Minister of Economics and Intergovernmental Affairs. We could go back to a Solicitor General who had a problem arising from a phone conversation made out of his constituency office to try to help a constituent. We can go back to the concerns of the members of the Liberal Party of Ontario and the New Democratic Party about the Minister of Education of the day and a certain municipal board approval in north Toronto and the way in which that matter was carefully examined and questioned from day to day.

I wanted to indicate that conflict of interest does not just involve two members of the Liberal Party of Ontario. Traditionally over the years it has unfortunately involved members of the Conservative Party, which was the government of the day, and in those circumstances the Premier of this province accepted his responsibility and authority: they were no longer in cabinet. There was no great investigation if he was convinced there had been a violation of the spirit or the wording of the guidelines. They were gone; that was the end of it.

I ask the Liberal members to consider that history of conflict of interest. It involves all three political parties exercising traditional roles in opposition and in government, and I think the Premier and all members of this assembly should spend more time considering those traditional responsibilities and authorities.

On motion by Mr. Pope, the debate was adjourned.

The House adjourned at 6 p.m.

ALPHABETICAL LIST OF MEMBERS*
(130 seats)

First Session, 34th Parliament

Lieutenant Governor: Hon. Lincoln M. Alexander, PC, QC

-
- | | |
|--|---|
| Adams, Peter (Peterborough L) | Fulton, Hon. Ed , Minister of Transportation
(Scarborough East L) |
| Allen, Richard (Hamilton West NDP) | Furlong, Allan W. (Durham Centre L) |
| Ballinger, William G. (Durham-York L) | Grandmaitre, Hon. Bernard C. , Minister of
Revenue (Ottawa East L) |
| Beer, Charles (York North L) | Grier, Ruth A. (Etobicoke-Lakeshore NDP) |
| Black, Kenneth H. (Muskoka-Georgian Bay L) | Haggerty, Ray (Niagara South L) |
| Bossy, Maurice L. (Chatham-Kent L) | Hampton, Howard (Rainy River NDP) |
| Bradley, Hon. James J. , Minister of the
Environment (St. Catharines L) | Harris, Michael D. (Nipissing PC) |
| Brandt, Andrew S. (Sarnia PC) | Hart, Christine E. (York East L) |
| Breaugh, Michael J. (Oshawa NDP) | Henderson, D. James (Etobicoke-Humber L) |
| Brown, Michael A. (Algoma-Manitoulin L) | Hošek, Hon. Chaviva , Minister of Housing
(Oakwood L) |
| Bryden, Marion (Beaches-Woodbine NDP) | Jackson, Cameron (Burlington South PC) |
| Callahan, Robert V. (Brampton South L) | Johnson, Jack (Wellington PC) |
| Campbell, Sterling (Sudbury L) | Johnston, Richard F. (Scarborough West NDP) |
| Caplan, Hon. Elinor , Minister of Health
(Oriole L) | Kanter, Ron (St. Andrew-St. Patrick L) |
| Carrothers, Douglas A. (Oakville South L) | Kerrio, Hon. Vincent G. , Minister of Natural
Resources (Niagara Falls L) |
| Charlton, Brian A. (Hamilton Mountain NDP) | Keyes, Kenneth A. (Kingston and The Islands L) |
| Chiarelli, Robert (Ottawa West L) | Kozyra, Taras B. (Port Arthur L) |
| Cleary, John C. (Cornwall L) | Kwinter, Hon. Monte , Minister of Industry,
Trade and Technology (Wilson Heights L) |
| Collins, Shirley (Wentworth East L) | Laughren, Floyd (Nickel Belt NDP) |
| Conway, Hon. Sean G. , Minister of Mines
(Renfrew North L) | LeBourdais, Linda (Etobicoke West L) |
| Cooke, David R. (Kitchener L) | Leone, Laureano (Downsview L) |
| Cooke, David S. (Windsor-Riverside NDP) | Lipsett, Ron (Grey L) |
| Cordiano, Joseph (Lawrence L) | Lupusella, Tony (Dovercourt L) |
| Cousens, W. Donald (Markham PC) | MacDonald, Keith (Prince Edward-Lennox L) |
| Cureatz, Sam L. (Durham East PC) | Mackenzie, Bob (Hamilton East NDP) |
| Curling, Hon. Alvin , Minister of Skills
Development (Scarborough North L) | Mahoney, Steven W. (Mississauga West L) |
| Daigeler, Hans (Nepean L) | Mancini, Hon. Remo , Minister without Port-
folio (Essex South L) |
| Dietsch, Michael M. (St. Catharines-Brock L) | Marland, Margaret (Mississauga South PC) |
| Eakins, Hon. John F. , Minister of Municipal
Affairs (Victoria-Haliburton L) | Martel, Shelley (Sudbury East NDP) |
| Edighoffer, Hon. Hugh A. , Speaker (Perth L) | Matrundola, Gino (Willowdale L) |
| Elliot, R. Walter (Halton North L) | McCague, George R. (Simcoe West PC) |
| Elston, Hon. Murray J. , Chairman of the
Management Board of Cabinet (Bruce L) | McClelland, Carman (Brampton North L) |
| Epp, Herbert A. (Waterloo North L) | McGuigan, James F. (Essex-Kent L) |
| Eves, Ernie L. (Parry Sound PC) | McGuinty, Dalton J. (Ottawa South L) |
| Farnan, Michael (Cambridge NDP) | McLean, Allan K. (Simcoe East PC) |
| Faubert, Frank (Scarborough-Ellesmere L) | McLeod, Hon. Lyn , Minister of Colleges and
Universities (Fort William L) |
| Fawcett, Joan M. (Northumberland L) | Miclash, Frank (Kenora L) |
| Ferraro, Rick E. (Guelph L) | Miller, Gordon I. (Norfolk L) |
| Fleet, David (High Park-Swansea L) | Morin, Gilles E. (Carleton East L) |
| Fontaine, Hon. René , Minister of Northern
Development (Cochrane North L) | Morin-Strom, Karl E. (Sault Ste. Marie NDP) |

Munro, Hon. Lily O., Minister of Culture and Communications (Hamilton Centre L)
 Neumann, David E. (Brantford L)
 Nicholas, Cindy (Scarborough Centre L)
 Nixon, J. Bradford (York Mills L)
Nixon, Hon. Robert F., Deputy Premier, Treasurer of Ontario and Minister of Economics and Minister of Financial Institutions (Brant-Haldimand L)
 Offer, Steven (Mississauga North L)
O'Neil, Hon. Hugh P., Minister of Tourism and Recreation (Quinte L)
 O'Neill, Yvonne (Ottawa-Rideau L)
 Owen, Bruce (Simcoe Centre L)
Patten, Hon. Richard, Minister of Government Services (Ottawa Centre L)
 Pelissero, Harry E. (Lincoln L)
Peterson, Hon. David R., Premier and President of the Council and Minister of Intergovernmental Affairs (London Centre L)
 Philip, Ed (Etobicoke-Rexdale NDP)
Phillips, Hon. Gerry, Minister of Citizenship (Scarborough-Agincourt L)
 Poirier, Jean, Deputy Speaker and Chairman of the Committees of the Whole House (Prescott and Russell L)
 Pollock, Jim (Hastings-Peterborough PC)
 Polsinelli, Claudio (Yorkview L)
 Poole, Dianne (Eglinton L)
 Pope, Alan W. (Cochrane South PC)
 Pouliot, Gilles (Lake Nipigon NDP)
 Rae, Bob (York South NDP)
Ramsay, Hon. David, Minister of Correctional Services (Timiskaming L)
 Ray, Michael C. (Windsor-Walkerville L)
 Reville, David (Riverdale NDP)
 Reycraft, Douglas R. (Middlesex L)
Riddell, Hon. Jack, Minister of Agriculture and Food (Huron L)
 Roberts, Marietta L. D., Deputy Chairman of the Committees of the Whole House (Elgin L)
 Runciman, Robert W. (Leeds-Grenville PC)
 Ruprecht, Tony (Parkdale L)
Scott, Hon. Ian G., Attorney General (St. George-St. David L)
 Smith, David W. (Lambton L)
Smith, Hon. E. Joan, Solicitor General (London South L)
 Sola, John (Mississauga East L)
Sorbara, Hon. Gregory S., Minister of Labour (York Centre L)
 South, Larry (Frontenac-Addington L)
 Sterling, Norman W. (Carleton PC)
 Stoner, Norah (Durham West L)

Sullivan, Barbara (Halton Centre L)
 Swart, Mel (Welland-Thorold NDP)
Sweeney, Hon. John, Minister of Community and Social Services (Kitchener-Wilmot L)
 Tatham, Charlie (Oxford L)
 Van Horne, Ronald G. (London North L)
 Velshi, Murad (Don Mills L)
 Villeneuve, Noble (Stormont, Dundas and Glengarry PC)
Ward, Hon. Christopher C., Minister of Education (Wentworth North L)
 Wildman, Bud (Algoma NDP)
Wilson, Hon. Mavis, Minister without Portfolio (Dufferin-Peel L)
 Wiseman, Douglas J. (Lanark-Renfrew PC)
Wong, Hon. Robert C., Minister of Energy (Fort York L)
Wrye, Hon. William, Minister of Consumer and Commercial Relations (Windsor-Sandwich L)

MEMBERS OF THE EXECUTIVE COUNCIL

Peterson, Hon. David R., Premier and President of the Council and Minister of Intergovernmental Affairs
 Nixon, Hon. Robert F., Deputy Premier, Treasurer of Ontario and Minister of Economics and Minister of Financial Institutions
 Conway, Hon. Sean G., Minister of Mines
 Bradley, Hon. James J., Minister of the Environment
 Scott, Hon. Ian G., Attorney General
 Riddell, Hon. Jack, Minister of Agriculture and Food
 Eakins, Hon. John F., Minister of Municipal Affairs
 Kerrio, Hon. Vincent G., Minister of Natural Resources
 O'Neil, Hon. Hugh P., Minister of Tourism and Recreation
 Sweeney, Hon. John, Minister of Community and Social Services
 Elston, Hon. Murray J., Chairman of the Management Board of Cabinet
 Wrye, Hon. William, Minister of Consumer and Commercial Relations
 Grandmaître, Hon. Bernard C., Minister of Revenue
 Curling, Hon. Alvin, Minister of Skills Development
 Fulton, Hon. Ed, Minister of Transportation
 Kwinter, Hon. Monte, Minister of Industry, Trade and Technology
 Munro, Hon. Lily O., Minister of Culture and Communications

Sorbara, Hon. Gregory S., Minister of Labour
 Caplan, Hon. Elinor, Minister of Health
 Fontaine, Hon. René, Minister of Northern Development
 Ramsay, Hon. David, Minister of Correctional Services
 Smith, Hon. E. Joan, Solicitor General
 Ward, Hon. Christopher C., Minister of Education
 Hošek, Hon. Chaviva, Minister of Housing
 McLeod, Hon. Lyn, Minister of Colleges and Universities
 Patten, Hon. Richard, Minister of Government Services
 Phillips, Hon. Gerry, Minister of Citizenship
 Wong, Hon. Robert C., Minister of Energy
 Mancini, Hon. Remo, Minister without Portfolio
 Wilson, Hon. Mavis, Minister without Portfolio

PARLIAMENTARY ASSISTANTS

Bossy, Maurice L.: assistant to the Minister of Housing (Chatham-Kent L)
 Campbell, Sterling: assistant to the Minister of Mines (Sudbury L)
 Chiarelli, Robert: assistant to the Chairman of the Management Board of Cabinet (Ottawa West L)
 Collins, Shirley (Ms.): assistant to the Minister of Labour (Wentworth East L)
 Cordiano, Joseph: assistant to the Minister of Intergovernmental Affairs (Lawrence L)
 Ferraro, Rick E.: assistant to the Minister of Industry, Trade and Technology (Guelph L)
 Haggerty, Ray: assistant to the Minister of Consumer and Commercial Relations (Niagara South L)
 Hart, Christine E. (Ms.): assistant to the Minister of the Environment (York East L)
 Henderson, D. James: assistant to the Minister of Colleges and Universities (Etobicoke-Humber L)
 Kanter, Ron: assistant to the Solicitor General (St. Andrew-St. Patrick L)
 Keyes, Kenneth A.: assistant to the Minister of Health (Kingston and The Islands L)
 Kozyra, Taras B.: assistant to the Minister of Northern Development (Port Arthur L)
 Lupusella, Tony: assistant to the Minister of Transportation (Dovercourt L)
 McGuigan, James F.: assistant to the Minister of Natural Resources (Essex-Kent L)
 Miller, Gordon I.: assistant to the Minister of Agriculture and Food (Norfolk L)
 Morin, Gilles E.: assistant to the Minister of Community and Social Services (Carleton East L)
 Neumann, David E.: assistant to the Minister of Municipal Affairs (Brantford L)
 Nixon, J. Bradford: assistant to the Minister of Financial Institutions (York Mills L)
 Offer, Steven: assistant to the Attorney General (Mississauga North L)
 O'Neill, Yvonne (Mrs.): assistant to the Minister of Education (Ottawa-Rideau L)
 Pelissero, Harry E.: assistant to the Minister of Tourism and Recreation (Lincoln L)
 Polsinelli, Claudio: assistant to the Minister of Treasury and Economics (Yorkview L)
 Ruprecht, Tony: assistant to the Minister of Citizenship (Parkdale L)
 Van Horne, Ronald G.: assistant to the Minister of Revenue (London North L)

STANDING COMMITTEES

Administration of justice: chairman, Mr. Callahan; vice-chairman, Ms. Hart; members, Messrs. Chiarelli, Cureatz, Farnan, Hampton, Kanter, Keyes, Ms. Poole, Messrs. Sola and Sterling; clerk, Lynn Mellor.

Finance and economic affairs: chairman, Mr. D. R. Cooke; vice-chairman, Mr. Ferraro; members, Messrs. Haggerty, Kozyra, Mackenzie, McCague, Morin-Strom, Neumann, J. B. Nixon, Pelissero and Villeneuve; clerk, Franco Carrozza.

General government: chairman, Mrs. Stoner; vice-chairman, Mr. Mahoney; members, Mr. Black, Ms. Bryden, Messrs. Charlton, Daigeler, Mrs. Marland, Messrs. Matrundola, McLean, Owen and M. C. Ray; clerk, Deborah Deller.

Government agencies: chairman, Mr. McLean; vice-chairman, Mr. Jackson; members, Messrs. Black, Breough, Dietsch, Furlong, Lipsett, Miss Martel, Messrs. Runciman, South and Velshi; clerk, Douglas Arnott.

Legislative Assembly: chairman, Mr. Epp; vice-chairman, Mr. Morin; members, Messrs. Breough, Cordiano, Faubert, J. M. Johnson, Polsinelli, Sterling, Mrs. Sullivan, Messrs. Swart and Van Horne; clerk, Smirle Forsyth.

Ombudsman: members, Messrs. Bossy, Carrothers, Charlton, Elliot, Henderson, Lupusella, MacDonald, McLean, Miss Nicholas, Messrs. Philip and Pollock; clerk, Todd Decker.

Public accounts: chairman, Mr. Philip; vice-chairman, Mr. Pouliot; members, Messrs. Balinger, Carrothers, Dietsch, Mrs. Fawcett, Miss Martel, Messrs. Offer, Pope, Runciman and Smith; clerk, Douglas Arnott.

Regulations and private bills: chairman, Mr. Fleet; vice-chairman, Mr. Beer; members, Mr.

Cleary, Mrs. Fawcett, Messrs. McCague, Pollock, Pouliot, Ruprecht, Smith, Sola and Swart; clerk, Tannis Manikel.

Resources development: members, Mr. Brown, Ms. Collins, Mrs. Grier, Messrs. Laughren, Leone, Mrs. Marland, Messrs. McGuigan, Miclash, Miller, Wildman and Wiseman; clerk, Todd Decker.

Social development: chairman, Mr. Adams; vice-chairman, Mrs. LeBourdais; members,

Messrs. Allen, Campbell, Cousens, Jackson, R. F. Johnston, McClelland, McGuinty, Mrs. O'Neill and Mr. Tatham; clerk, Franco Carrozza.

*The alphabetical list of members appears in each issue. The other lists, brought up to date as necessary, are published in Hansard in the first and last issues of each session and on the first sitting day of each month.

CONTENTS

Tuesday, December 1, 1987

Members' statements

Transit services, Ms. Bryden	701
Overcrowding in schools, Mr. McCague	701
John Bates, Mrs. LeBourdais	701
Education funding, Mr. R. F. Johnston	701
Child care, Mrs. Marland	702
Multiculturalism, Mr. Fleet	702
Government policies, Mr. McLean	702

Statements by the ministry

Retail store hours, Hon. Mr. Scott, Hon. Mrs. Smith	703
Women's health services, Hon. Mrs. Caplan	704

Responses

Retail store hours, Mr. Reville	705
Women's health services, Mr. Reville	706
Retail store hours, Mr. Cureatz	706
Women's health services, Mr. Eves	707
Retail store hours, Mr. Eves	707

Oral questions

Occupational health and safety, Mr. Mackenzie, Hon. Mr. Sorbara	707
Rental accommodation, Mr. Breagh, Hon. Ms. Hošek, Hon. Mr. Patten	709
Retail store hours, Mr. Brandt, Hon. Mrs. Smith	709
Conflict of interest, Mr. Brandt, Hon. Mr. Scott	711
Workers' compensation, Mr. Mackenzie, Hon. Mr. Sorbara	712
Rent registry, Mr. Cousens, Hon. Ms. Hošek	713
Interval houses, Mr. Breagh, Hon. Ms. Hošek	713
Skills training, Mr. Jackson, Hon. Mr. Curling	714
Women's health services, Mr. Callahan, Hon. Mrs. Caplan	715
Help centre, Mr. Morin-Strom, Hon. Mr. Fontaine	715
Social assistance, Mr. Harris, Hon. R. F. Nixon	715
Landfill site, Mr. Owen, Hon. Mr. Bradley	716
Labour dispute, Mr. Farnan, Hon. Mr. Sorbara	717
Oshawa Auto Auction Ltd., Mr. Wiseman, Hon. Mr. Wrye	717
Agricultural industry, Mr. Wildman, Hon. Mr. Riddell	718

Petitions

Children's law reform, Mr. Ruprecht, tabled	719
Workers' Compensation Board, Mr. Owen, tabled	719

First reading

Community Mental Health Services Act, Bill 50, Mr. Reville, agreed to	719
--	-----

Second reading/Deuxième lecture

Members' Conflict of Interest Act, Bill 1, Hon. Mr. Scott, Mr. Breaugh, Mr. Eves, Mr. McLean, Mr. Pope, adjourned	719
Loi sur les conflits d'intérêts des membres de l'Assemblée, loi 1, l'hon. M. Scott, M. Breaugh, M. Eves, M. McLean, M. Pope, ajournée	719

Other business

Member's comments, Mr. Jackson	719
Answer to quotion in Orders and Notices, Hon. Mr. Conway, tabled	719
Adjournment	747
Alphabetical list of members of the Legislature of Ontario, members of the executive council, parliamentary assistants and members of committees	748



C A 2 3 N
X1
-023

Government
Publications

No. 16

Hansard

Official Report of Debates

Legislative Assembly of Ontario

First Session, 34th Parliament

Wednesday, December 2, 1987

Speaker: Honourable Hugh A. Edighoffer
Clerk of the House: Claude L. DesRosiers



Published by the Legislative Assembly of Ontario
Editor of Debates: Peter Brannan

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of members of the Legislative Assembly of Ontario.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$16.00 per session, from: Sessional Subscription Service, Information Services Branch, Ministry of Government Services, 5th Floor, 880 Bay Street, Toronto, M7A 1N8. Phone (416) 965-2238.

LEGISLATIVE ASSEMBLY OF ONTARIO

Wednesday, December 2, 1987

The House met at 1:30 p.m.

Prayers.

MEMBERS' STATEMENTS

RETAIL STORE HOURS

Mr. Reville: Lorrie Goldstein, who gets to think in public every day in the Toronto Sun, had a really good idea this morning. He thinks the Solicitor General (Mrs. Smith) should get a day of rest this Sunday. She will need it to recover from being flattened by what Lorrie calls "the cabinet solidarity steamroller." He is right, you know; I was there.

Before her elevation, the Solicitor General trudged from town to town across Ontario where she and 10 other members of the 33rd Parliament listened patiently to individuals and groups plead for a common pause day. She went on the bus to Barrie. A few days later, she went on the bus to Cambridge and then to London, where she endured with award-winning patience the local crypto-Conservatives, one of whom had run against her as head of a party whose sole plank was wide-open Sundays. The Solicitor General explained that restricted holiday shopping was not, after all, undemocratic.

Alas, a private member has freedom that a cabinet minister clearly does not; so let us give that cabinet minister a bit of freedom. Let us give her this Sunday off. She can soak her feet or perhaps her head and think about how strange life is.

RENTAL ACCOMMODATION

Mr. Cousens: The Minister of Housing (Ms. Hosek) has indicated how proud she is of the work she is doing as minister and how confident she is of her ministry to serve the public and resolve the housing crisis of the province. I have to tell you, Mr. Speaker, our caucus is not that pleased or that confident. The people of Ontario who have a housing crisis are not that pleased or that confident. In fact, when one starts to ask some questions, as we did yesterday, about the rent registry, it really comes as a shock that the minister attributes it as still working, starting to come into effect, when maybe less than five per cent of the tenants are registered. Is there any

wonder there is a backlog of 23,000 people trying to have their rents addressed and resolved?

We have a problem in this province. We have a problem of confidence that this government is going to do something to solve the housing crisis. There is a confidence factor in the fact that government promised it would build 102,000 affordable rental units by 1989. It has not even announced where they are going to go and when they are going to go up.

I wish the press would start coming out with the fact that this is another example of this government failing to meet the needs of legislation and of the people of this province. It is a situation where I have no confidence in them.

ALCOHOL AND DRUG ADDICTION

Mr. McClelland: I would like to draw to the attention of this House that Peel region's first comprehensive alcohol and drug assessment program will begin operating in Brampton and in Peel in January of this coming year.

This program, which received its funding from the Ministry of Health, will conduct a comprehensive assessment and develop a total treatment package for individuals in our community, directing them to the most suitable services offered in the community and working towards developing appropriate services for them.

In addition, I wish to draw to the attention of this House that last week at Peel's annual conference on addiction, the organization MAP, Managing Addiction Programs in Peel, announced a plan to co-ordinate an integrated and holistic program to assist drug and alcohol addicts in Peel. Included in the plan is a proposal for a 26-bed detoxification centre linked to Peel Memorial Hospital. Currently, in Brampton and throughout Peel, alcoholics and drug addicts must go to Hamilton or Toronto or, unhappily, be admitted to jail.

This proposal to deal with addicts in a holistic manner involving as many as 500 community volunteers is to be commended for its vision and its thrust and the fact that it comes from the grass-roots involvement of the community. I look forward to working with health care officials, my colleagues in this House and the

members of our community in advancing this worthwhile proposal to realization.

UNIVERSITY FUNDING

Mr. R. F. Johnston: Over the past week or two, I have raised the matter of a lack of resources and an overcrowding problem at our universities.

Today I would like to bring to the attention of the Legislature that 3,000 students and faculty at Trent University are going to boycott classes tomorrow to protest the gross underfunding of their library facility, the terrible overcrowding, where offices have been crammed into what should be library space, where the lack of funds for staff has meant it is open for fewer hours than at most other universities.

In fact, they are trying to receive donations from students in the university community, a \$10 donation each, to try to compensate for the underfunding of this government. We know that is probably a dangerous kind of initiative for them to take. Perhaps it even runs counter to certain proposals that have been put forward by this Legislature in terms of not wanting to place an extra burden on students for the cost of their university education.

I think it is appropriate that the minister is here today. I hope she has a statement to make in terms of redressing the needs of that university, which has waited over 10 years for any major capital assistance and which has been complaining about this overcrowding situation through the faculty council and through the president, who has, I know, spoken personally with the minister recently. The university is in dire need of redress of this most significant problem.

GOVERNMENT POLICIES

Mr. Harris: During the last campaign, the Liberal Party promised leadership that works. In office, they have provided leadership that wimps out. If this government were a car, its performance would warrant a recall.

On Sunday shopping, Liberal leadership consists of passing the buck to the municipalities. In trade policy, Liberal leadership means the Premier (Mr. Peterson) finally gets off the fence to go and sit on the bench. In education, the Liberal idea of leadership is to deliver one fifth of what they promised and then ask the property taxpayer to pick up the bill for everything else. On child care, the Liberals issue a New Directions paper which keeps them going in the same old circle while they wait for the federal government to come up with a policy for them.

Liberal leadership in tax reform means hiking the personal income tax, land transfer tax and every tax they can get their mitts on. Liberal leadership in housing means creating a system that can barely process a rent increase application and taking comfort in the fact that the vacancy rate has not got any worse.

Every time a fight starts, an issue or a problem comes up, this government leaves the room or strikes yet another committee or commission. It is not a government that leads; it is a government that appears afraid of its own mandate. It is a government paralysed by the responsibilities of leadership, to the point where it deals with issues by making them someone else's problem and by waiting for others to come up with solutions.

That approach is rapidly making this government a problem for the people of Ontario, who are beginning to see that the Liberal idea of leadership begins and ends with a slogan.

1340

ROBERT BECHARD

Mr. Elliot: I would like to make a statement about Robert L. Bechard, president and founder of ACTION International, a private relief organization founded to help orphans of Mexican descent. The initials of ACTION stand for a call to improve orphans' needs. Initially, Bob Bechard began helping Hilda and Raefel Gomez in Mexico to support 50 children in their orphanage. The success of his charity has increased this number to 84. ACTION at this time is attempting to build an orphanage in Mexico which will house 100 boys and 100 girls.

Several months ago, we recommended that Bob Bechard receive the Order of Canada award because of his work as a gregarious missionary. We have done this because Bob Bechard directed his life to the things that count. He took opportunities to serve that came his way. He looked forward, in a spirit of adventure, towards new horizons of achievement. He brought into the lives of others all those major blessings that make for happy, creative, triumphant living.

Robert L. Bechard, at the young age of 64, died on Saturday, November 14, 1987, in Milton of a massive heart attack. I wish to honour Bob Bechard of Halton North by making this statement part of the official record of the Legislature of Ontario.

McLAUGHLIN GALLERY

Mr. Breaugh: Members will know that Oshawa is the cultural centre of Canada.

An hon. member: True.

Mr. Breaugh: It is true.

Mr. Brandt: As of what date?

Mr. Breaugh: Don't show your ignorance here.

Saturday afternoon at 3:30, all members are invited to the brand-new Robert McLaughlin Gallery, opening with a little bit of provincial money and a whole lot of Oshawa money. When members get there, they will see Joan Murray, the most dynamic person in all of art in Canada; they will have an opportunity to see an architectural wonder; and, best of all, they will get a chance just to be in Oshawa for an afternoon. All members are invited.

Miss Nicholas: I would like to seek the unanimous consent of the House to recognize the recent death of a former constituent of mine.

Agreed to.

PUNCH IMLACH

Miss Nicholas: I would like to recognize today in the House the loss of a legend. The city, the province and the country acknowledge today the passing of George "Punch" Imlach. The media have reported extensively on the accomplishments and controversies of his career life. Some people did not always agree with Punch Imlach, but he earned the respect of all people because, whatever he did, he made sure he did it his way.

I remember the first time I met Punch Imlach. It was in 1974 in St. Catharines and we were attending a banquet for charity. He continued to work on behalf of charities for the remainder of his life. More recently, I had the pleasure of meeting him on his doorstep in my constituency. We are told that his greatest joy was when he sat behind the bench, and that is where we recognize and remember him most, in particular leading the Toronto Maple Leafs to four Stanley Cup wins in the 1960s.

I am sure it is the unanimous wish of this House that we express the condolences of the people of Ontario, who enjoyed the benefits of his enthusiasm for the game of hockey, to his wife, Dorothy, his son, Brent, and his daughter, Marlene. Punch Imlach will be missed by all.

Mr. Breaugh: I want to join in this recognition of Punch Imlach. Most of us who grew up in Canada will know this man. We will know him probably for two reasons: one, the fedoras, the hats that were so great and that you saw when you first went into the rink; and, secondly, because he made hockey into something that we will all

remember in this country. Strange though it may seem, hockey players and people who are involved in hockey play a great role in the development of our culture. Punch Imlach kind of signifies that era when hockey was really hockey, when there were six great hockey teams and great legends at work. He carried it over into a new era and kind of expanded that into a franchise in Buffalo.

He was controversial, but there is nothing wrong with being controversial. He was sometimes wrong, but more often right. He inspired people to do great things. He inspired a great many memories all across Canada.

There is, I suppose, a number of cities that could be connected with him, but in truth, there was really only one, Toronto, and only one hockey team, the Toronto Maple Leafs, which as everybody who was born anywhere in this country knows is one of the world's great hockey organizations. Part of that really belongs to Punch Imlach, who sometimes took some rather older hockey players, who others said were washed up and who had given up on them, and made them into Stanley Cup champions. For those of us who are getting a little older and a little washed up, we look up to people like that who have the magic to make greatness out of people who have worked all their lives in professional sport. It is one of the toughest, roughest businesses around and we recognize the greatness that is Punch Imlach and we extend our condolences to his family.

Mr. McLean: I would like to join with my colleagues in paying tribute to the late Punch Imlach. I would like to take this opportunity, on behalf of my party, to pay tribute to George "Punch" Imlach, who passed away yesterday after a lengthy battle with heart ailments.

Punch's first season ended with a Stanley Cup defeat in 1959, when the Toronto Maple Leafs lost out to their perennial rivals, the Montreal Canadiens. He had dragged the Leafs by their skate laces from the bottom of the league to the cup final that year. He then went on to build what many consider to be a hockey dynasty. Those same Leafs captured four Stanley Cups.

After falling out of favour in Toronto, Punch went on to build the fledgling Buffalo Sabres into a respectable team that, five years later, made it all the way to the finals. Punch was notorious for battling with the league president, the club owners and with anybody he felt he could take on, and he was usually always right. These battles often took place on behalf of his players. He was truly a team man and a team player who

displayed an immense amount of loyalty to his players, who often went on to become close friends over the years. I often thought if he had noticed my talents in my hockey days he may have won five Stanley Cups.

During recent years, after leaving the hockey wars behind him, Punch was quoted as saying: "I wish I could be behind the bench. That is where the fun is. It is the best thing in the world." Punch is no longer with us in this world, but I am certain that wherever he is, someone will have the smarts to have him back behind the bench where he truly belongs. On behalf of my party, I would like to offer my condolences to Punch's wife, Dorothy, and his family.

Mr. Speaker: When the official record of this assembly is printed, I will make certain that the Imlach family receives a copy of Hansard so that they are aware of your words of sympathy.

STATEMENTS BY THE MINISTRY

RETAIL STORE HOURS

Hon. Mr. Sorbara: Later today I will be introducing an amendment to the Employment Standards Act to provide protection to workers who refuse to contravene the Retail Business Holidays Act by working on Sunday. This amendment is an interim measure that addresses the concerns of members of this House about the situation of the majority of workers in retail operations.

Yesterday the Solicitor General (Mrs. Smith) indicated that the current law will be in force until the legislation she announced is passed by this Legislature. Until new legislation is passed, it will remain illegal for most retail stores to be open on Sunday.

The purpose of the bill I am introducing today, therefore, will be to protect a worker's right to decline to work on a Sunday, if by doing so he or she would be contravening the Retail Business Holidays Act.

The amendment will enable an employment standards officer to order an employee to be reinstated and/or compensated if he or she is dismissed for refusing to break the law by working.

In his statement yesterday the Attorney General (Mr. Scott) explained the special circumstances giving rise to his decision not to prosecute large retail stores that stay open on the Sunday after Boxing Day. As a result of that announcement, there will be three categories of stores on December 27:

1. Those that are permitted to remain open on Sundays under the Retail Business Holidays Act, including pharmacies and convenience stores.

2. Those that qualify for the Sabbatarian exemption described by the Attorney General; that is, stores that employ fewer than eight persons and occupy less than 5,000 square feet that are permitted to open on Sunday because they are closed on Saturday.

3. Those large stores that the Attorney General announced would not be prosecuted if they remain open on Sunday, December 27.

1350

Today's legislation will ensure that the employees of this third category of store, the large retailer, can elect not to work on Sunday, December 27. The bill will have no effect on the employees of the other two categories.

This amendment will come into force as of today. I am sure all members of this House—I ask them and I urge them—will lend their support to its speedy passage so that workers are assured that their rights are fully protected.

As I have indicated, this amendment is an interim measure. When the Sunday opening policy announced yesterday is introduced, the government will bring forth the necessary protections for the affected workers.

Comme je l'ai déjà indiqué, il s'agit d'un amendement temporaire. Quand la politique en ce qui concerne l'ouverture des magasins le dimanche sera présentée, le gouvernement proposera les mesures nécessaires à la protection des travailleurs.

RECYCLING

Hon. Mr. Bradley: Disposal of the vast amounts of garbage produced in Ontario is a vexing problem. Proposals to bury or burn it inevitably prompt fears of environmental damage and lead to lengthy, costly and often protracted political battles.

While there is no magic wand to wave and make the problem disappear, we have a waste management tool—recycling—which can reduce our garbage disposal problem in an environmentally sound manner.

Our government's commitment to recycling is beginning to show results. The number of municipal multimaterial curbside recycling programs has increased from seven early in 1985 to 45 currently, with more planned. Waste diverted from disposal has increased from 51,000 tonnes in fiscal year 1984-85 to an estimated 100,000 tonnes in the current year. This is an increase from 1.6 per cent to three per cent of the total municipal waste stream.

Provincial funding for municipal recycling programs has been increased from \$750,000 in

1985 to \$3.7 million this year. Provincial support to help municipalities start up their programs is now available for five years, compared to three years previously.

In addition, the beverage container regulation we adopted shortly after taking office in 1985 was designed to drive municipal multimaterial curbside recycling programs. The regulation requires soft drink producers to recycle at least 50 per cent of their containers. The regulation and my ministry's no-nonsense approach to its enforcement have prompted the industry to set up Ontario Multi-Material Recycling Inc. or, as it is known, OMMRI. OMMRI is distributing \$20 million over four years to help municipalities pay the capital costs of establishing recycling programs. This private sector initiative has been helpful in getting recycling going province-wide.

While we are making a good start, we must find ways to expand the scope of current recycling programs by including corrugated cardboard and organic waste for composting and by serving high-rise apartment residents. Initiatives in these areas are under way, and new techniques applied province-wide could help us to recycle 25 per cent or more of our municipal waste in years to come.

Today I am pleased to announce that our government has allocated an additional \$2 million to support municipal curbside recycling programs. This is a 54 per cent in-year funding increase and brings provincial support to \$5.7 million this year alone. The response to recycling around the province is snowballing, and these additional moneys will ensure that all the good proposals brought forward get all the provincial help they deserve.

RESPONSES

RECYCLING

Mrs. Grier: We certainly welcome the minister's announcement today and are very glad that his recycling programs are proving so successful. In fact, we hope they will be so successful that he can close down the Commissioners Street incinerator immediately and save the people of Metropolitan Toronto from the pollutants it is pouring out.

I think I want to say, though, that the minister has to begin to move beyond the kind of voluntary response that has proven so successful and take a look at those municipalities that are not yet into recycling. Obviously, Metropolitan Toronto is the prime example.

He also has to think about moving into the commercial field and what can be recycled

commercially. Here in Metro, as I understand it, we could extend the life of each of the two landfill sites by two years if we do as the minister says he hopes to do and move into recycling commercial cardboard.

We also have to move towards reducing the garbage at source and move beyond recycling and produce less garbage to begin with. Only when we have gone all the way, can we begin to really come to grips with the environmental problems that we ourselves are creating.

RETAIL STORE HOURS

Mr. B. Rae: I almost felt sorry for the Minister of Labour (Mr. Sorbara) when he stood up in his place today and read the statement, which I had seen in advance. It is truly an astonishing example of government by the seat of its pants.

We have a Minister of Labour who, according to my information, has not consulted with representatives of the workers who are affected by this legislation prior to any announcements he has made in this House with regard to this matter, claiming to represent working people. They are the ones who are being inconvenienced, not he. They have not been spoken to.

He announced that there are now going to be three categories of workers on Sunday, December 27, and he expects, on the basis of this announcement, those people to be able to exercise in a serious way their right to refuse, knowing full well that the Attorney General (Mr. Scott) just stood up two days before and said there are a whole category of workers who might think they are part of an exclusion, but they are not. Why? Because the Attorney General, on his own, has decided he is not going to enforce the law.

So we have workers who could be included, but they are not included, because the Attorney General says, "I have decided the law will not apply to these people in this particular circumstance on this particular day." The government is asking the House and the working people in the province to take seriously an announcement which is operative for one day for one group of workers and not for two other groups of workers who are also going to be working in retail stores, because the Attorney General has decided that, depending on the size of the store, depending on which side of the store they are working on, they are either included or excluded.

The Liberal Party has managed to turn around a situation that was considered by an all-party committee that came up with recommendations

and said to the government, "This is the way we think it should be and we think that once we have decided this is the way it should be, the law should be enforced." For reasons that have not been explained in this House, for reasons that have not been adequately brought forward, the government of the day has panicked and brought forward a panic result that is laughable.

This is not enforceable. Working people cannot rely on it. It is not enforceable and not functional, and the Minister of Labour knows it. The Attorney General knows it. They have created a situation which makes them and their government the laughingstock of Ontario with regard to this legislation.

The municipalities do not want it because they know the government has chickened out. Working people are looking at the government and saying it has chickened out. It is quite clear that the law it has created in the province is an ass. All I can say is I hope they are proud of themselves.

RECYCLING

Mrs. Marland: I am somewhat interested in the statement of the Minister of the Environment (Mr. Bradley) today.

First, as a former member of the Mississauga city council, which during my term of office introduced the second recycling program in a municipality in Ontario, a program which is excellent and is working, I certainly am an advocate of those programs in municipalities across Ontario through firsthand, personal experience.

I am very interested in the figures in this statement. It is very interesting, but I wonder whether the minister's staff people have made an error. They say the tonnage has increased from 51,000 tonnes to 100,000 tonnes, an increase to three per cent of the total municipal waste stream. If one looks at the figures, they really do not make any sense, because the minister says that at 51,000 tonnes, the cost was \$750,000 for provincial funding. He now says the cost is up to \$3.7 million, but the tonnage has only doubled. The cost actually has multiplied five times; the tonnage achievement is only twice as much.

I think those are very interesting figures. They are figures the minister should look at very closely, because if we are now, in 1987, spending five times as much but the achievement in tonnage recycled is only twice as much, I think there has to be some question about how the program is being achieved. We certainly look forward to having more money's worth in terms

of provincial support for a much-needed program.

1400

RETAIL STORE HOURS

Mr. Harris: We will support the amendment that was announced today by the Minister of Labour (Mr. Sorbara) when he introduces it later today, but I want to tell the House it is a disgrace the way this government has handled the whole situation. I do not feel we have any choice but to support the amendment, because in some small way it will help the botch-up that has been created by the Attorney General (Mr. Scott), the Solicitor General (Mrs. Smith) and, presumably, the fence-sitting Premier (Mr. Peterson).

I want to agree with the member for York South (Mr. B. Rae) in the comments he made and add our support to those remarks, but I also want to take just a second to point out something in this statement today and in the statement yesterday as well. In the statement yesterday, the Attorney General explained the special circumstances giving rise to his decision—the Attorney General's—not to prosecute large retail stores that stay open on the Sunday after Boxing Day.

What we have here is the Attorney General saying he has the power and the right to decide what laws will be enforced and what laws will not be enforced in this land and in this province. I did not have the opportunity to bring back all the quotes that the Attorney General gave, but I know members of the House will recall that when he was asked, for example, about Morgentaler and about Scott, he was very clear in saying: "Oh, you can't expect the Attorney General to tell the police what to do. I can't interfere with what the Solicitor General has to do or what the police have to do."

When it came to the matter of charges, he said: "Oh, you can't expect that of the Attorney General. The Attorney General can't involve himself in that. That is not my role."

Here he is clearly on the record as saying not only it is his role, his prerogative and his right to direct the police, to interpret the law and then direct them, but in fact he even has the power to direct them to not enforce existing laws.

Hon. Mr. Scott: I didn't mention the police.

Mr. Harris: Well, it says here "not to prosecute."

Hon. Mr. Scott: It says I wouldn't prosecute them. They can lay what charges they want.

Interjections.

Mr. Speaker: Order.

Mr. Harris: I point this out, because the next time the Attorney General gets on his feet and says, "Oh no, we can't be involved there; I want to sit on the fence on this one," let it be clear that he has said he has the power to determine who will be prosecuted when, what the police will do when, and he cannot back out of that in the future.

Interjections.

Mr. Speaker: Order. That completes the allotted time for ministerial statements and responses.

Interjections.

Mr. Speaker: Order. There will be time for further exchanges during the question period.

ORAL QUESTIONS

RETAIL STORE HOURS

Mr. B. Rae: My question is for the Minister of Labour. I heard the minister this morning at 8:30 while I was having my breakfast—

Hon. Mr. Scott: A poor working man's breakfast at 8:30.

Mr. B. Rae: It is the only chance I have to see my kids.

The question I have for the—

Interjections.

Mr. Speaker: Order.

Hon. R. F. Nixon: It is just like the old days in the embassy.

Mr. B. Rae: That's right. Eat your heart out, I say to my friend.

I heard the minister say that Sunday is a public holiday under the Employment Standards Act. Would he care to clarify that? Was he serious when he said that under the Employment Standards Act Sunday is a public holiday?

Hon. Mr. Sorbara: My light is not on, so I do not know if my friend the member for York South can hear me.

An hon. member: Your lights are on.

An hon. member: We know you're home.

Interjections.

Mr. Speaker: Order. The lights are on. Minister.

Hon. Mr. Sorbara: I hope so.

The first thing I want to say is that I hope I somehow enhanced the member for York South's breakfast at 8:30. I wish I could have been listening to him while I had my breakfast at 6:30, but he was not on. I hope I did not ruin his breakfast.

In response to the question my friend the member for York South asked, I want to say that yesterday I received a note from my ministry which I misinterpreted. As a result of that note, I made a comment that I am afraid was incorrect in that it suggested inadvertently that Sunday was a public holiday. I want to say here during this question period, first off, that information is unfortunately incorrect and it is unfortunate that I made that statement yesterday.

Mr. B. Rae: I am glad the minister has more than 10 watts. I was up all night thinking about the question.

The minister has admitted that yesterday, when he participated in the cabinet discussions—

Hon. Mr. Scott: You worked all morning on this.

Mr. B. Rae: —if I can talk over the chatter of the Attorney General for a moment—when he participated in the cabinet discussions concerning this matter, obviously the Minister of Labour, the minister representing working people at the cabinet table, did not know what the law was with respect to whether or not Sunday was a public holiday, which I think characterizes this whole flying by the seat of its pants, which is what this decision appears to be all about.

Does the minister think it is fair that some retail workers will, under the legislation he is proposing, be able to refuse work on one Sunday only but that all the other workers working in the retail sector will not be able to exercise a right to refuse on that Sunday or any other Sunday? Does he think that is fair in terms of the administration of justice—for somebody looking at the issue from the outside, not understanding all the ins and outs of the law? Does he think that is a fair way to proceed?

Hon. Mr. Sorbara: If my friend the member for York South is talking about proper representations of bills, I think the first thing he ought to do is properly represent the bill I am about to introduce this afternoon.

This bill represents interim protection for workers who may be asked to work in stores which cannot legally open. The bill simply says that if an employer asks you to work in a store that cannot legally be opened, then you have the right to the protection that is provided under this bill, and that protection is, as I said in my statement, both reimbursement and reinstatement in the job.

Mr. B. Rae: I can understand the minister correctly. What he is saying is that the government has now created a scofflaw situation. It has

created so much uncertainty out there that I would venture to predict there is going to be chaos for the period of time until the government makes up its mind on the legislation and the municipalities decide what they are going to do, which they do not want to have to do.

The government has created, frankly, a situation of complete chaos. What the minister is saying is that some workers—we are not quite sure who they are, because they themselves will be uncertain as to whether they are covered or not, and they themselves will be uncertain because the law is only going to be enforced in some areas and not in others. The Attorney General has already said that on one day, which he decides, he is not going to enforce the law on that day, so there may be other days on which the law will or will not be enforced and nobody is going to know.

The question I want to ask is, are workers in the retail sector going to be protected on Sunday or not? Yes or no?

Hon. Mr. Sorbara: If my friend the member for York South would simply read this piece of legislation, he would know that it does one thing and one thing only. The fact is that the Retail Business Holidays Act is in force in this province now and it will continue to be in force until it is repealed or amended. This amendment to the Employment Standards Act simply offers the protection to workers to refuse to work in those businesses which are not allowed to open anyway. That is what it does. He knows that, and it is statements like the ones he has made that create the confusion, not a simple bill that offers workers the protection they deserve under the Retail Business Holidays Act.

Mr. B. Rae: It is that big, bad opposition passing all those terrible laws again. I wish we could do something about it.

Mr. Speaker: New question and to which minister?

1410

AUTOMOBILE INSURANCE

Mr. B. Rae: I have a new question for a new minister, the Minister of Financial Institutions. Later on today, the minister is going to be presenting Bill 2, An Act to establish the Ontario Automobile Insurance Board and to provide for the Review of Automobile Insurance Rates.

During previous discussions on earlier proposals, the then Minister of Financial Institutions stated in this House his view that that review board would have the power—indeed, the responsibility—to review not only automobile

insurance rates but also rates affecting fire insurance, home insurance, other forms of casualty insurance and so on, that the entire insurance sector would necessarily come under the purview of this review board. Is that in fact the case?

Hon. R. F. Nixon: We will have the power, if the House approves the bill, to empower the board to review the transferences of profits from the automobile insurance sector of the business to any other sector.

Mr. B. Rae: Having said that, I wonder if the minister can then explain to me precisely what he anticipates is going to happen. Subsection 20(4) says, "In setting a rate or range of rates, the board shall set a rate or range of rates that in the opinion of the board is just and reasonable and not excessive or inadequate."

The insurance industry has told Ontario that in the past year it lost some \$330 million. We are not quite sure how it calculates that or what exactly it means by it or where and how it made it up, but it says it lost that much money. Can the minister confirm that the board, if it considers that the rates are inadequate, will have the power to increase rates in order to ensure that the automobile insurance side of the business makes a healthy profit for the insurance companies? Is that what the board is going to be doing?

Hon. R. F. Nixon: I believe the profit aspect will have to be considered, but the honourable member is concerned about the word "inadequate." That is to safeguard against the possibility of a company coming in with a loss-leader rate which cannot be supported by the statistics associated with the costs of the claims; therefore, it is going to maintain the competitive aspect in that regard. The board has the responsibility, if this bill is proclaimed into law, of controlling the rates as being either inadequate or too large, and this will be done on the basis of public hearings, as the honourable member knows.

Mr. B. Rae: In questions of adequacy or inadequacy, will the board be taking into account the fact that in Ontario the private insurance industry's commission fees, overhead costs, claims adjustment costs, loss reserves and taxes make up some 42.5 per cent of its operations, whereas in Manitoba and British Columbia, the figure is around 20 per cent? Are those the kinds of figures the board will be taking into account? Can the minister confirm, just one more time, if he is saying it is the purpose of this bill to ensure that in the car insurance sector, the insurance companies will be permitted a healthy rate of return on the automotive business?

Hon. R. F. Nixon: I do not accept any of the adjectives the honourable member is attempting to put in my mouth. I will simply tell him that the insurance industry is here to serve, in a fair and equitable way, the automobile owners and the people who are to be insured in this province. We believe the answer is not to follow the lead of the other jurisdictions the honourable member is so much committed to, but to establish a fair and equitable rate review board, which action is going to be placed before the Legislature this afternoon for useful debate that might very well encompass the views the honourable member is expressing.

Mr. Speaker: The member for Sarnia.

[Applause]

Mr. Brandt: Mr. Speaker, I want to note for the record there was applause, even on the other side. I have their names and I have recorded them.

RETAIL STORE HOURS

Mr. Brandt: My question is for the Solicitor General. I would like to quote the Solicitor General from a statement she made on December 1: "The Minister of Labour (Mr. Sorbara) will shortly be addressing the issue of protections for workers which may be required." Of course, he introduced that amendment in the House today.

On December 2, that minister said, "Sunday continues to be a public holiday." This was a quote taken from the 6:30 a.m. news broadcast. I was up having breakfast at five o'clock. I phoned around to see if there was a radio program that would like me to straighten up the government's policy relevant to this question and I will undoubtedly be on the air tomorrow very early.

Mr. Speaker: Question?

Mr. Brandt: I suggest all members get up early to listen to that broadcast. In any event, the Minister of Labour said: "Sunday continues to be a public holiday. The Employment Standards Act provides now that a worker, except in certain sectors like hospitals, can refuse to work on Sunday and without retaliation, of course." If he was admitting he was wrong in making that statement, I accept that correction.

Mr. Speaker: The question is?

Mr. Brandt: I would like to address my question, which I know you, Mr. Speaker, want me to raise at this time, to the Solicitor General, with respect to this confusing matter that the Leader of the Opposition (Mr. B. Rae) has been trying to clarify and on which I join with him in trying to get some clarification.

Will the minister give the House the assurance that a worker who refuses to work on a Sunday will, in fact, receive the protection of this government?

Hon. Mrs. Smith: We are dealing with two separate issues here. The first is Sunday, December 27. The second is the issue of Sunday that may be addressed in a new bill.

As for December 27, the member has the bill in front of him. I can only guarantee it will be helpful to the employees if we get the co-operation of the opposition in passing that bill very speedily before December 27. I trust we will have that co-operation.

With regard to other Sundays, we will be addressing that matter before we introduce the legislation. I cannot answer those questions at this point as we have not yet put together that bill.

Mr. Brandt: I do have a supplementary and it is with respect to a quote from the Solicitor General when she was a private member and before she joined cabinet. It is in regard to the very law we are talking about. On April 23, 1987, the Solicitor General—I know she wants to make a notation of that date so she can look up my quote, but I will share it with her, in fact pass it over to her if she likes—said: "Yes, if the law says you cannot force someone to work on Sunday, the merchants we have talked to would tend to say such a law is meaningless except for a person who is not dependent on the job and is willing to risk going to court. If he is working his way up, hoping for promotion, having the law on the books would really mean nothing."

Will the Solicitor General indicate to this House whether this quote is a reflection of her views as it relates to the law which she is now proposing to pass, or is she in support of the Minister of Labour's view that this law will clear up the whole question of whether or not workers will be forced to work on a Sunday?

Hon. Mrs. Smith: It will vary from case to case, I assume. I mentioned, in reference, people with whom I had spoken who work in Vancouver. They seem to have managed to work it out in most stores there, where they work it out among the employees who get off either Saturday or Sunday according to their own choice, and it works rather well. That is what I have been told.

As for the question of promotion, as the member says, this was something that merchants often said to us in the committee, which is what I reported and which they often did say.

Mr. Brandt: I recall some time ago that the Attorney General (Mr. Scott) had indicated that if anyone was forced to work on Sunday all one

had to do was call his number. I want to indicate to the members and for the viewers at home what his number is. The number is 965-1664, if they are forced to work on a Sunday.

1420

Interjections.

Mr. Speaker: Order.

Hon. Mr. Scott: On a point of order, Mr. Speaker, I think the number is changed.

Mr. Speaker: Order.

If you have no further information, maybe you would place your supplementary.

Mr. Brandt: Yes, I do have a supplementary. I can appreciate the fact that the Attorney General may want to change that number.

Further to quotes that the Solicitor General has made in the past with respect to this issue, does she still concur with the point of view she expressed on April 23, 1987? That must have been a good day for her in committee. I think she would find a lot of older women, mothers, mother-led families and that sort of thing, for whom, as she has already indicated: "The pressure to be able to take off the day the kids have off might be great. I see this as an unprotected group, this particular group of women who may very much need that day with their families." I agree with that. I think that is a point of view I share with the minister, and I want to say that publicly. My question is, does the minister agree with what she said?

Hon. Mrs. Smith: It should come as no surprise to the member for Sarnia, as it comes as no surprise to me that he has been sifting through the committee reports. It was an idealistic report, and I completely agreed with it. I would still like to be able to say we could do those things we hoped we could do.

The problem we have is that we have been unable to find a way to define tourism in a meaningful way so it could be applied across the whole province. The abuses of this definition one sees around the whole province are the very things that have made it impossible to define. It is still my hope that it may be able to be defined and used at the municipal level where it can be dealt with in a smaller context. The municipalities may be able to come up with a definition of tourism and a tourist plan that will allow them to keep their stores closed in various parts of the province and thus protect the people I was referring to.

Mr. Brandt: I have another quote. My question again is to the Solicitor General. This is February 18, 1987, with respect to another dimension of the problem as it relates to the

whole issue of Sunday openings. I have to say the minister at that time had an extremely open and progressive mind on this issue.

I want to quote to her what she said about municipalities and the options that she has placed before them as they relate to this new proposed law: "I have to make one final comment. From what we have heard, I gather that the municipal option eventually becomes total opening."

Would the minister agree that there really is no municipal option and that all she has done is shifted the problem to the municipalities, virtually all 800 of which have said they do not want to have the controversial issue shoved over?

Mr. Speaker: Order. The question has been asked.

Hon. Mrs. Smith: This problem arises before this law comes into effect, because municipalities already are in that position if they choose to be. They simply declare themselves a tourist area. We have, I believe, fruit stands that have been declared tourist areas. We have St. George where our eminent Treasurer (Mr. R. F. Nixon) comes from, a great tourist attraction in this province. We were about to find the city of North York declare itself a tourist attraction. So this problem was upon us anyway; we are simply recognizing it.

Mr. Runciman: It is obvious from the minister's remarks in the past and today that the government is trying to push totally open shopping through the municipal back door. It is equally obvious when we have the Premier (Mr. Peterson) stating that the new law will not be in place before the next municipal election, even not until 1989, that through the government's cowardly avoidance what we are facing is a year and a half of chaos for municipalities and retailers.

We all know the government is trying to get municipal councils and politicians to take the heat for this and we all know it will not work. If the government wants wide-open Sunday shopping, and it is obvious it does, it has 95 members. Why do they not take the responsibility for it and bring it in now instead of delaying for a year and a half to protect their own skins?

Hon. Mrs. Smith: I did not hear any statements about it not coming in until 1989 and so I do not know that has occurred.

As far as I am concerned, the interesting thing which I had not considered was that if we took the opportunity off the province and said, as we have, that it is impossible to define tourism which, according to the select committee, was to be the guidance, the municipalities would then

still have had to decide how to define their own tourism in keeping with the provincial definition. They still had that responsibility. Now that we say it cannot be defined on a provincial level, it either goes to the municipalities or you take from them the right to have any choice in it at all. You force them to open on Sunday. We did not want to force them, and the member will see in today's paper that many of them are grateful for that.

Mr. Runciman: I suspect the majority are not too grateful.

As we heard earlier, the Solicitor General was a signatory of the final report of the idealistic select committee on retail store hours. Among the recommendations of the committee was that the primary responsibility for the administration of the Retail Business Holidays Act should remain that of the provincial government. The minister signed that.

The minister has made obvious her opposition, in the past and yesterday, to wide-open Sunday shopping. She is aware of the effect it will have on workers and single-parent families. Unless the Solicitor General is prepared to totally renounce her previous stands on this issue, will she now in all conscience admit that she does not agree with the announcement she made yesterday and will she either ask the Premier to give her new responsibilities or, failing that, step down as Solicitor General of this province?

Hon. Mrs. Smith: As the other members of the committee would agree, we were very idealistic, but we were not idle. We were an idealistic committee, which unfortunately put on the government the charge to define something that proved not able to be defined in a useful way. Unfortunately, the whole recommendation was based on that. We did say in the recommendation that the government would have to do this. We did not tell them how. We hoped they could do it. It has turned out a worse task than we thought and it cannot be defined in a way that covers the province. I still wish it could, as I did when I signed that report.

Mr. R. F. Johnston: Mr. Speaker, as a point of order before I actually raise my question: I really regret it when a minister makes the kind of statement, which seems on the face of it not to be an offence to the House, but which is actually a great putdown of the committee system. To make it sound as if committees do their work and are somehow idealistic and not looking at practical realities and that governments that change their policies are somehow realistic is an offence—

Mr. Speaker: Order. That is not a point of order; it is a point of view.

Mr. R. F. Johnston: That was one I felt I had to get off my chest, as somebody who takes committees seriously.

VISITOR

Mr. Speaker: Before I call for the next question, I would like to inform the members that we have the former member for Middlesex, Bob Eaton, in the lower west gallery. Would you welcome him.

1430

PUPIL-TEACHER RATIO

Mr. R. F. Johnston: My question is for the Minister of Education. Given that the nasty reality of tape machines and tape recordings has proven that the minister has directly contravened his election promise to give almost \$300 million in this year to the elementary system—and even the Premier (Mr. Peterson) reluctantly admits, “If a tape says it, maybe I did say it too”—will the minister now perhaps deal a little bit with the substance of what class size reduction is all about?

Can the minister tell us, given that the boards are going to have to make decisions about hiring late in this winter, when the boards will be informed? What methodology is he using to choose which boards are going to get the advantage of the class size system? What goals has he set for this first year in terms of what the class size should be next year? Can he tell us which boards will receive the money?

Hon. Mr. Ward: I am happy to indicate to the member for Scarborough West that we are indeed consulting extensively with the boards of education and with representatives of teachers' federations, gathering their input as we work towards developing an implementation policy on the 20-to-one option.

As I indicated when I made the statement last Thursday, in terms of the general legislative grant, it is our intent to phase in a reduction in classroom size over the course of the next three school years. We have provided funds to place an additional 1,130 teachers in the coming year.

I will be happy to bring to the attention of the member and this House the details of that implementation policy when they are available.

Mr. R. F. Johnston: That is the third figure we have seen for the number of teachers: 1,000, 1,100; 1,130 now. I hope it changes upward again.

I am wondering if this does not prove that a senior bureaucrat in the Ministry of Education was correct in that this was a hasty promise made

in the election which was totally impractical and that the minister does not have any idea where he is going this year.

Can the minister tell us whether boards that have already accomplished the levels he is seeking will not receive any money and therefore will be penalized for being progressive on this issue, which this government has been pushing them to move on for the last number of years? How will the money be divided between the Catholic system and the public system? As most of us know, the present ratios are, generally speaking, higher in the Catholic system. Is the minister doing a survey to determine what the present class sizes are, or how is he determining that?

Hon. Mr. Ward: I am very sorry to hear the member for Scarborough West does not support this particular initiative in the reduction of the pupil-teacher ratio in the elementary schools.

I do want to assure the member, as I indicated in my initial response, that we are in the process of developing those implementation policies. We are working towards having that information available so that boards will be in a position, when they do their hiring in February and March of the coming year, to know what the expectations are.

RETAIL STORE HOURS

Mr. J. M. Johnson: I have a question of the Solicitor General, who has abdicated her responsibility to make any decision on Sunday shopping.

I have 21 municipal councils in my riding. I wonder if the minister is aware of the untenable position in which these municipal councils will be placed in attempting to deal with this responsibility. The government cannot handle it, so it gives it to the local councils. Is this power-hungry majority Liberal government so easily intimidated by what it perceives as a political hot potato that it feels compelled to run for cover under the aprons of municipal councils? Is this the type of leadership the citizens of Ontario can expect from this government?

Hon. Mrs. Smith: As I have already stated, the choice we had was not so simple. Having decided we could not put on the provincial definition that was needed to stop this wave using the tourist escape clause, we therefore had to look at a more open situation being possible. In other words, the open situation was there by abuse, by calling something tourism. We recognized that fact.

However, we also recognized that some municipalities may be able to define tourism within their municipality and take advantage of the ability to do so. If so, I wish them well. If not, if they find the whole thing too difficult and do not want the politicking of it, then it will be available to them to have a referendum at the time of the next election and let the people in their own communities decide.

Mr. Villeneuve: The 23 rural municipalities that are in my riding have populations from 3,000 to 5,000, and some of those are very much smaller than 3,000. We have a legislative committee report that says the committee supports the principle of a common pause day in Ontario and that it is the provincial government's responsibility. How do we explain this to these people, with family-owned businesses, who do not want to be open on Sunday?

Hon. Mrs. Smith: I would point out that the various councils can feel free to vote it down. I would point out on the other hand that some municipalities have opened up that are probably smaller than the member's. I would say that St. George is probably as small as the communities the member refers to, and it took advantage of the tourist loophole. It is being done even by small communities. As bigger communities did it more, the smaller communities would have come into the same position they are in right now.

ONTARIO HOME RENEWAL PROGRAM FOR DISABLED PERSONS

Mr. Neumann: My question is for the Minister without Portfolio responsible for disabled persons. In recent years we have made great strides in improving the accessibility to public places for disabled persons. The Ministry of Housing is presently offering the Ontario home renewal program for disabled persons, which provides ramps and other conveniences to assist disabled persons in having easier access to and from their own homes.

However, the demand for this program has been considerably greater than the funds have allowed it to meet. In our community, 10 disabled persons from Brantford have applied to the program. To date, only one application has been accepted.

I would ask the minister responsible for disabled persons, what is his ministry doing to review the success of this program and perhaps to provide supplementary programs to allow disabled persons to enter and leave their own homes?

Hon. Mr. Mancini: I know from personal experience that the honourable member is very

concerned about issues which affect disabled persons.

I want to inform the honourable member that over the past year we have given a substantial sum of money to the Easter Seal Society for families with disabled children so they could use this money to make their homes accessible. At the present time we are reviewing the situation, which will hopefully allow us to give even further moneys to the Easter Seal groups. As I say, this is being reviewed at the present time.

I also want to inform the honourable member that the Ontario home renewal program for disabled persons, which is operated very ably by my colleague the Minister of Housing (Ms. Hosek), has been enhanced twice in this past year. I have been in further communications with my colleague, and we are discussing the merits of enhancing the program again. We hope to have something to say to the honourable member and to the members of the House in the near future.

Mr. Neumann: I am very pleased with the minister's response that he is going to be following up on this. I would like to point out that the program is in place to provide accessibility for disabled persons to and from their own homes, and I would urge the minister to do what he can to increase the accessibility to this program.

I am wondering about the supplementary program he mentioned. Will he be doing some publicity to make sure that the people who are in need are aware that this other option is available?

Hon. Mr. Mancini: The honourable member knows from his personal experience and from his involvement with disabled issues that approximately one out of every eight persons in our province is disabled. These disabilities cover a wide range of disabilities that affect people.

I want to tell the member that we are reviewing all programs that affect disabled persons, and I say to the member that housing is one of the most important issues which face disabled persons. That is why the Minister of Housing has in fact a number of programs, such as the low-rise rehabilitation program, Project 3000 and the ones I mentioned in my first answer to the member. These matters are of great importance to the disabled community.

1440

WATER PIPELINE

Mrs. Grier: I have a question for the Minister of the Environment. One of the most basic concerns that people have about their environment is the condition of their drinking water,

particularly if that drinking water comes from known contaminated areas like the St. Clair River, which is one of the reasons I have urged the government to pass the Ontario Safe Drinking Water Act in this province.

Fifteen months ago the minister went to Wallaceburg and announced with some fanfare that the province would pay 75 per cent of the cost of a pipeline to bring Lake Huron water to Wallaceburg. He went on to say, "My staff will work with you to iron out the details of the proposal and expedite construction."

When I have raised this problem in the House, the minister has passed the blame to his federal counterpart, but it is very clear that the project does in fact qualify for federal funding and I would like the minister to explain why the project has not yet been fully approved and why he has not even applied for federal funding.

Hon. Mr. Bradley: I want to indicate first of all that the Ministry of the Environment's money, the 75 per cent, is on the table; it is up front and it is there for this particular project. Now in relation to Wallaceburg, that is even though all of the testing we have done at Wallaceburg has indicated that the drinking water in Wallaceburg meets the provincial guidelines. We have still put our 75 per cent on the table. What I announced is there. Our people are working with them.

I think the member would be better to go to her federal counterpart in the House of Commons to ask where the federal money is. I have control over the provincial money; I do not have control over the federal money. They will play a little game by saying, "Well, of course, it's there with economic regional development agreement grants or something," but they do not really mean new money. They mean they will take it away from something else that the member's party wants to see it spent on in this province and spend it on this particular project. If it were genuinely new money, that would be a different case; but the feds, as soon as you mention money in Ontario for a project of that kind, say, "Oh, there's a freeze on ERDA money."

Our money is there. It is up front; it is on the table. It is time for the feds to put their money on the table if they are interested.

Mrs. Grier: I could not agree more that there needs to be more federal money into municipal infrastructure. The point is that the Minister of the Environment realized the predicament in which the community of Wallaceburg found itself and made a special announcement of provincial funding to meet that pipeline cost.

The municipality put up its money, and I pointed out to the minister last July that the gap was only \$2 million and that surely for \$2 million he could ante up and get on with it. But in fact I now discover that there is the ERDA program, that the ERDA program very clearly covers the criteria of this pipeline, that the federal government has funds in the ERDA program and that there has been no application from Ontario.

Before the minister tells me that is because there are socioeconomic criteria for ERDA, I am going to send to the minister a copy of real estate ads from Wallaceburg that show that homes in that area are being advertised, if they have Lake Huron water.

Does the minister not recognize the very severe economic and socioeconomic hardship that he is placing on communities by not guaranteeing them pure drinking water? What is he going to do to live up to the commitment he made to Wallaceburg?

Hon. Mr. Bradley: If the member is talking about Wallaceburg, there is a very clear indication in all the testing we have done that it meets the requirements of the province as they relate to drinking water.

The second thing I want to say is that they can talk all they want about ERDA money being available. The member for Chatham-Kent (Mr. Bossy) has, on a consistent basis, been working on this problem, has brought it to my attention and has investigated, as my ministry has. The feds know this; they are simply holding back their money.

I think the member and I are on the same wavelength. I know she would like me to be doing something different in this particular instance, but I am going to tell her that to try to get money out of the federal government for a project of this kind is like getting blood out of a turnip.

The federal government knows there is a need there. It will not even pay for the pipeline to Walpole Island. Native reserves in this country are clearly the responsibility of the government of Canada, and it will not even pay for that. It is time the federal government got off its backside and put its money on the line, as our government has.

An hon. member: There is the new leadership candidate: "Bradley for Leader."

Mr. Speaker: Order.

Mr. Harris: The minister must be in favour of an elected Senate; then he could blame them for not doing something as well as the House of Commons.

Before I get into my question, the Attorney General (Mr. Scott), on a point of order, tried to divert public attention from his number by saying it is no longer valid. It is indeed the Attorney General's number, 965-1664, and in spite of his efforts that is how they get hold of him. I want him to know that.

Mr. Speaker: And the question is?

Interjections.

Mr. Speaker: Order. It has been an interesting question period. We have learned about times for breakfast, telephone numbers and what not. The member for Nipissing with a new question.

RETAIL STORE HOURS

Mr. Harris: I have a question for the Solicitor General with regard to this municipal option. The major part of northern Ontario is not organized into municipalities. Could the minister tell us who will make the decision, in all of the unorganized areas of northern Ontario, whether stores will be allowed to open?

Hon. Mrs. Smith: There must be somebody there now who is making decisions on store hours. They can continue to do it.

Interjections.

Mr. Speaker: I believe the member for Nipissing would like to ask a supplementary. Thank you.

Mr. Harris: This is one occasion where you might have said, "Surely there cannot be a supplementary to that," but in spite of that, there is.

An hon. member: There wasn't yesterday.

Mr. Harris: No. The member is right; there was not yesterday.

Clearly, once again we have this government making a major policy decision without any understanding of northern Ontario, without any recognition of how life in northern Ontario operates, without any recognition that right beside North Bay, two miles from downtown, there is an unorganized area.

Maybe I should ask the minister, because it is obvious she does not know, if there was any input, other than just now, from the Minister of Northern Development (Mr. Fontaine), who is supposed to know something about northern Ontario. Did the minister ask for any input, or did she ask for any input to inform her about the implications this will have in northern Ontario?

Hon. Mrs. Smith: This was discussed at great length in cabinet and the minister was there. I would like to help the member for Nipissing

simply by saying that I do believe district boards in those territories now set the times for shops and the regulations. The government has simply said that the district boards and the local boards will continue to define the hours of traffic for Sunday as they do for any other day.

Interjections.

Mr. Speaker: Order. If the members wish to waste the time, that is up to them. There are other members who would like to ask questions.

MULTICULTURALISM

Mr. Daigler: My question is to the Minister of Citizenship. As the minister knows, yesterday the federal Secretary of State introduced legislation that will enshrine in law general principles about multiculturalism. The presence of different ethnic groups in Ontario has become an important characteristic of this province. I am very pleased and proud to know that the Liberal Party and this government have long recognized and responded to this new development.

Could the minister share with us his global reaction to the federal bill and what concerns he may have with specific aspects of this initiative?

1450

Hon. Mr. Phillips: The start of the evaluation of this really revolves around the policy that we announced in June, which is a very comprehensive program around multiculturalism that I think really is at the root of what this province is all about. My evaluation of the Ottawa bill is very much equated to our proposals and our program that we announced in June.

The essence of that for all of us is that we celebrate in this province the diversity of cultures, that we believe the diversity of cultures in this province is a source of strength and a source of enrichment, that we believe as a province in the retention of culture as a source of strength, that we believe our government and our government policy should reflect the many cultures here in Ontario and that as we look at the appointments and the people who reflect our province, they should reflect the many cultures.

As I look at the federal bill, it is a step in the right direction. I believe our policy announced in June is a more progressive and more far-reaching policy. The bill, as I say, is a step forward. I believe it strengthens multiculturalism in this country and therefore we welcome it. I think there are now issues around implementation.

RETAIL STORE HOURS

Mr. Wildman: I have a question to the Solicitor General. First, I want to point out to her

that there is a difference between "unorganized" as it applies to the townships in northern Ontario and "disorganized" as it applied to her government.

Now that the minister has had a chance to confer with her colleagues, could she accept that in unorganized communities local services boards do not have any control whatever over retail stores and shopping hours? The legislation that governs local services boards does not give them that power, even though the member for Essex-Kent (Mr. McGuigan) would like to give them that power. If that is the case, could she explain how store hour openings and closings will be controlled in unorganized communities which are adjacent to the cities in northern Ontario?

Hon. Mrs. Smith: I am glad to look into this unfortunate state of them having nobody there to make store hour rulings for them. We would be glad to look into that and arrange some manner by which these people may make regulations and then they will be able to apply these.

As a matter of interest, I would tell the member that when I was in Terrace Bay recently, the wish was spoken to me by many people there that Thunder Bay and Sault Ste. Marie should be allowed to be open on Sunday because the people who travel long distances to go there on weekend outings with their families would like to be able to shop there on Sunday. This was what was spoken to me in Terrace Bay.

Mr. Pouliot: On a point of order, Mr. Speaker.

Mr. Speaker: A point of order under which standing order?

Mr. Pouliot: I am really confused. I need your help. Maybe we can do this together. It is a bona fide point with respect to the minister. She mentioned the township of Terrace Bay in the same breath as being "unorganized." It happens to be in the riding of Lake Nipigon and is indeed a fully fledged municipality. It does not need the help of Sault Ste. Marie or Thunder Bay but it needs her help—

Interjections.

Mr. Speaker: Order. That is a good point of information.

Mr. Wildman: The minister said earlier that there had been extensive discussion in cabinet over this problem, and yet her answers indicate that she does not understand the problem and that there has been no discussion in cabinet. Can she tell us now what will be done to ensure that retail stores are not opened in unorganized areas

adjacent to municipalities that may have decided not to open on Sunday? What is she going to do to control that? Is she going to allow retailers simply to move beyond the boundaries of organized municipalities to avoid having to deal with the local option that her government has now conferred upon the municipalities?

Hon. Mrs. Smith: At the present time, in these areas, stores are open. Indeed, the member is referring to one of the other types of abuses that have created the problem, where people in one area are taking advantage of loopholes and people in another are not. Therefore, we are trying to make it more even. If in fact the member has an area that has no group that can say that stores must be closed we will be glad to look at that, if that is the state it was already in before we spoke yesterday.

Interjections.

Mr. Speaker: Order.

ONTARIO STUDENT ASSISTANCE PROGRAM

Mr. Jackson: My question is to the Minister of Colleges and Universities. This morning my staff called the Transitions hotline of the Ministry of Skills Development. The person who responded on the phone confirmed that the statements made by the Premier (Mr. Peterson) on August 4 about older unemployed workers' eligibility for unemployment insurance benefits extension was in fact at variance with the truth. We were also told that eligible workers on Transitions whose unemployment insurance benefits had expired would be terminated and that they had been advised that they should in turn apply to the Ontario student assistance program, under the Ministry of Colleges and Universities, for assistance. Has the minister been advised that older laid-off workers are being directed to apply to her ministry and that program; and if so, how many have applied?

Hon. Mrs. McLeod: Mr. Speaker, as you are aware, there are now two ministers responsible for areas of delivering programs in applied skills development. This question has been referred in the past to the Ministry of Skills Development. We will be working in very close co-ordination in delivering skills programs that are required through the colleges, and certainly students who are going to be provided programs through the colleges will be eligible for OSAP funding.

Mr. Jackson: My question to the minister is not about the Ministry of Skills Development's involvement. They have no involvement with

OSAP. This is entirely her program. I asked her specifically if in fact she has been advised of the number of applicants. In fact, when we checked with the manager of client service at the student awards branch of the Ministry of Colleges and Universities this morning, he indicated in a telephone conversation that the first eligible OSAP application grant for Transitions—one; that is all that has been processed—has in fact been paid.

The minister's colleague, the Minister of Skills Development (Mr. Curling), has confirmed in this House that there could be upwards of 6,500 older unemployed workers applying for this program and therefore applying to OSAP. With thousands of unemployed workers coming, will the minister significantly expand the base for OSAP support assistance in this province so students and unemployed workers are not fighting over limited dollars that are provided under that program?

Hon. Mrs. McLeod: Over the past two years, we have greatly increased the funding for student assistance because of our commitment to providing funding for students. There are specific criteria under which students apply. Those criteria will continue to be applied as there are new programs added. If those programs in fact increase the demands under OSAP, we will certainly look at that as a future consideration.

1500

Mr. Speaker: The member for Oshawa.

Mr. Breaugh: I have a question today for the Minister of Municipal Affairs.

Mr. Speaker: I am sorry. I missed the member for Ottawa West.

Mr. Harris: You gave him a note. He was not on his feet. If he can't stand up after you look at him he can't do that. He is supposed to stand up when you look at him.

Mr. Villeneuve: He should be embarrassed.

Mr. Speaker: Order. There was no note. The member for Ottawa West.

POLLUTION CONTROL

Mr. Chiarelli: During the recent election campaign, the government announced that it would double its annual spending on beaches cleanup. Of this amount, it was also announced that \$30 million will be spent outside Metro Toronto and will include Ottawa area beaches. My question to the minister is, having two major beaches in Ottawa West, both of which are all too frequently closed due to excessive pollution counts, can the minister inform me how these

funds will be distributed to the Ottawa-Carleton area?

An hon. member: Good question.

Hon. Mr. Bradley: It is a very good question.

Mr. Brandt: It's funny how all the good questions come from that side.

Hon. Mr. Bradley: Some excellent questions come from the other side as well. There are some excellent questions from all sides.

We have a number of programs that can be devoted to the improvement of beaches cleanup. One of them, which I announced and which the Premier (Mr. Peterson) announced some lucrative funding for, was the LifeLines program. This is for infrastructure renewal where you have older pipes and facilities which require rehabilitation. In addition to that—

Mr. Sterling: How much? What are you going to give us?

Mr. Speaker: Response.

Hon. Mr. Bradley: The member is interrupting. I am trying to answer.

Mr. Speaker: Interjections are out of order. Please disregard them.

Hon. Mr. Bradley: I will try to continue, Mr. Speaker.

We believe the LifeLines program, which has funding where we put up one half of the cost of the study that identifies the specific problems and 33 per cent of the cost of the infrastructure renewal, is going to be of immense benefit to places such as Ottawa-Carleton where the beaches are impacted in some cases by the fact that there is an inadequate storm or sanitary sewage system. By rehabilitating these systems, I think we will find less of the bacteria will be making its way into the waterways.

MUNICIPAL ELECTIONS

Mr. Breaugh: I have a question for the Minister of Municipal Affairs. We know his position on direct election in Metro. We would also like to hear his position on election expenses proposals that have been discussed for some time now for municipal elections. Is it his intention to tie those two proposals together and to provide for direct election and for some kind of election expenses act for municipal elections as well?

Hon. Mr. Eakins: Two of my priorities, of course, have been the reform of the Metro elections and certainly to deal with the need for some reform in municipal elections. We are looking at that right now. We are consulting with the Association of Municipalities of Ontario,

with the municipal associations and with my colleagues, and I hope to deal with that at the very earliest opportunity.

Mr. Breaugh: If the minister is intending to move towards direct elections, and that is now clear, will he then agree that it is imperative, for example in Metropolitan Toronto, that he do so in conjunction with some election expenses reform at that level and that it would be untenable to proceed with direct elections without some kind of election expenses act municipally as we now have federally and provincially?

Hon. Mr. Eakins: I am very concerned about this particular area also. I will simply say that the total package of municipal elections is being looked into, and I hope to have something to report on that very soon.

RETAIL STORE HOURS

Mr. Harris: The Solicitor General indicated in her answer that the implications on northern Ontario have been extensively discussed in cabinet, which I have to tell the minister we doubt given the fact she knows nothing about the implications for northern Ontario. The minister indicated that presumably somebody makes the decision. That is why they are unorganized. There is no organization.

I will also explain to the minister, so she might understand, that in certain areas there are service boards or local roads boards that are mandated to deal just with those issues. Clearly, the one that makes the decision is the government of Ontario. That is the only organization they rely on.

My question is this. The minister said they are wide open now. They are not. They obey the law of Ontario now. I want to know from her who is going to make the decision and what is it going to be for the unorganized areas of the province.

Hon. Mrs. Smith: I have said and I continue to say, as the member has pointed out, that there are many different situations here. We are happy to meet with them and work out what is satisfactory to them in this regard.

PETITION

TRANSIT SERVICES

Ms. Bryden: I have a petition to the Lieutenant Governor and the Legislative Assembly of Ontario, signed by 38 riders on the GO Transit bus service from Oshawa to downtown Toronto, mornings and evenings, Monday to Friday.

The petition reads as follows:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned, beg leave to petition the Parliament of Ontario as follows:

"Whereas GO Transit provides bus service between Oshawa and the downtown Toronto corridor, mornings and evenings, Monday to Friday; and

"Whereas the present bus service uses older, inadequate, uncomfortable vehicles which cause undue stress, backache, fatigue and many other discomforts to patrons,

"That equipment be updated in the interests of the wellbeing of those citizens who travel approximately one and one half to two hours per trip daily."

It is signed by 38 persons. I support the petition.

REPORT BY COMMITTEE

STANDING COMMITTEE ON REGULATIONS AND PRIVATE BILLS

Mr. Fleet from the standing committee on regulations and private bills presented the following report and moved its adoption:

Your committee begs to report the following bills without amendment:

Bill Pr12, An Act to revive the Centre for Educative Growth;

Bill Pr13, An Act respecting Special Ability Riding Institute.

Your committee begs to report the following bill, as amended:

Bill Pr69, An Act respecting the City of Windsor.

Your committee would further recommend that the fees, less the actual cost of printing, be remitted on:

Bill Pr12, An Act to revive the Centre for Educative Growth;

Bill Pr13, An Act respecting Special Ability Riding Institute.

Motion agreed to.

INTRODUCTION OF BILLS

EMPLOYMENT STANDARDS AMENDMENT ACT

Hon. Mr. Conway moved, on behalf of Hon. Mr. Sorbara, first reading of Bill 51, An Act to amend the Employment Standards Act.

Motion agreed to.

Hon. Mr. Conway: The purpose of the bill is to protect employees who refuse to contravene subsection 2(2) of the Retail Business Holidays Act.

1510

CONSUMER REPORTING AMENDMENT ACT

Hon. Mr. Wrye moved first reading of Bill 52, An Act to amend the Consumer Reporting Act.

Motion agreed to.

Hon. Mr. Wrye: I am pleased to reintroduce for first reading today, An Act to amend the Consumer Reporting Act. The purpose of these amendments is to prevent any access to a consumer's credit file without his or her knowledge. The new provisions would require that the prescreening of credit files or any information taken from them be treated as a consumer report and that the affected consumers be notified before any unsolicited search could be conducted. The amendments are necessary to ensure the integrity of consumers' credit files.

CROWN WITNESS PROTECTION ACT

Mr. Runciman moved first reading of Bill 53, An Act to provide for the Safety and Welfare of Crown Witnesses in certain Criminal Proceedings.

Motion agreed to.

Mr. Runciman: This is the third time I have introduced this bill which is designed to allow the Attorney General (Mr. Scott) to offer protection, including relocation and a new identity, to crown witnesses whose lives or safety is jeopardized by their willingness to testify at certain criminal proceedings.

ORDERS OF THE DAY

MEMBERS' CONFLICT OF INTEREST ACT (continued)

LOI SUR LES CONFLITS D'INTÉRÊTS DES MEMBRES DE L'ASSEMBLÉE (suite)

Resuming the adjourned debate on the motion for second reading of Bill 1, An Act to provide for greater Certainty in the Reconciliation of the Personal Interests of Members of the Assembly and the Executive Council with their Duties of Office.

Suite du débat ajourné sur la motion de deuxième lecture du projet de loi 1, Loi assurant une plus grande certitude quant au rapprochement des intérêts personnels des membres de l'Assemblée et du Conseil des ministres avec les devoirs de leurs fonctions.

Mr. Speaker: The member for Cochrane South (Mr. Pope) adjourned the debate. The

member for Wellington (Mr. J. M. Johnson) wishes to participate.

Mr. J. M. Johnson: I would like to start by saying I agree with—

Mr. Fleet: On a point of order, Mr. Speaker: I am not sure if the member for Wellington is being allowed a two-minute reply. Under the rules, I understand that we are entitled to reply to the member for Cochrane South.

Mr. Speaker: Yes, I suppose you can reply. There is no one to respond to, but you can if you wish.

Mr. Fleet: I do wish to reply.

Mr. Sterling: On a point of order.

Mr. Speaker: We have another point of order here.

Mr. Sterling: I understand that particular rule in the standing orders was made for the cut and thrust of debate. I think this is the first time we have run into a situation where a member of the Legislature spoke to the end of the proceedings and then was not here to pick up the debate the following day. I think the idea was that there would be some interplay in the debate. The member opposite might have an opportunity to speak and we would require a comeback from the principal speaker, in this case the member for Cochrane South.

In this particular situation, if this member wished to speak in the debate he would have every right to speak in the debate on second reading if he had some redress. We have not faced this situation, and the only reason I am raising it at this time is that I do not know if there has been a reflection on the rule and whether you are setting a precedent today or whether you should consider setting a precedent, Mr. Speaker.

Mr. Speaker: You may want to respond to that point of order. However, I believe this is the first time it has occurred. It is a different situation because I do not believe the member had completed his remarks. As I gathered, he just adjourned the debate. I feel I might be within my right to suggest, and I only suggest this, that because of the extreme circumstance where I am not certain whether the member had completed his remarks, if the member or any other member wishes to put on record any comments, I feel it might be in order to put them on the record so that the member for Cochrane South could read them, and then I hope that the standing committee on the Legislative Assembly will come up with some assistance for the Speaker. Would that be agreeable to the House?

Hon. Mr. Conway: May I make an observation or two since I sat through the entirety of the member for Cochrane South's commentary yesterday?

Subject to correction, of course, I think the record will show that the member for Cochrane South adjourned the debate last evening at very nearly six of the clock. It can only be remembered as a very lively intervention calculated to excite honourable members. This is something to consider, I think, when members are making speeches in this place, particularly since the standing orders now anticipate that members will have an opportunity to respond.

It is unfortunate the member for Cochrane South could not be here today to continue a debate he was pleased to adjourn less than 24 hours ago. The members who were here yesterday will take note of the fact that it seemed on occasion that the intervention of the member for Cochrane South was so phrased as to calculate a response from at least this side of the aisle. I recognize that these are early days, but I would certainly hope that when we reflect upon this precedent or this situation, we would take into account that the rules seem to state that members have the opportunity to respond to an honourable member.

An honourable member went on here at great length yesterday saying some very interesting and excitable things. One of the members who was here yesterday who was drawn into that debate would now like to respond, as he is entitled to do under the rules. The member for Cochrane South is not here to carry on the debate he adjourned less than 24 hours ago, and so, Mr. Speaker, you can appreciate the difficulty of members who read these rules and try to understand their spirit and intent and you can appreciate the situation in which they find themselves.

Mr. Speaker: After reading again the standing order set out in 20(b), it certainly allows any member up to two minutes, up to a total of 10 minutes. If every member used the two minutes it would be a total of four members and then the last two minutes should be reserved for a response, but not necessarily a response. If the members would be agreeable, I think it would be in order to allow the member to have up to two minutes and any other member who wishes up to two minutes. Again, I request that some time in the future the Legislative Assembly committee review it and assist the Speaker. I will recognize—

Mr. Sterling: I would just request that an opportunity be given to the member for Cochrane

South, after reading this particular reply, to put on record his reply to this member's concerns.

Mr. Speaker: I appreciate the member's request very much. However, just again reading this, up to two minutes should be reserved out of the 10-minute period; and the 10-minute period, I believe, has to be taken following the member's speech. The member for High Park-Swansea.

Mr. Fleet: The speech by the member for Cochrane South yesterday was interesting and in fact it was excitable, as the House leader has described it, for a number of reasons.

It would appear that the member for Cochrane South is at odds with his party. The member for Parry Sound (Mr. Eves) indicated to this House that there was support in principle from his party and it appears that the member for Cochrane South lacks any appreciation for what is in Bill 1. In fact, in his whole speech, and I went through the Instant Hansard to double-check this, he never once referred to Bill 1 or any line in it. He seems to have a problem understanding it. He seems to think that somehow there is a dodging of responsibility, when in fact quite the contrary is true and this government and this Premier (Mr. Peterson) should be congratulated for taking as serious a matter that affects every member of this place and that, with the will of this House, is now going to implement into law a solution that has the force of law. It goes farther, I believe, than guidelines that exist anywhere in Canada and this government should be applauded for taking this step.

1520

I will also add that in some respects the tone of the dissertation by the member for Cochrane South was not helpful. I commend to him, and I hope that members of his party will pass on to him, the words spoken by the member for Oshawa (Mr. Breaugh) in a recent speech, that the object here ought to be to raise the level of debate, not to root around in the gutter. I strongly urge that the member for Cochrane South use his significant skills in a more useful way to assist all members and in fact the public interest.

Mr. Tatham: I would just like to make this comment: this Legislature has already agreed upon the imperfectability of people who produce statutes on conflict of interest. The Municipal Conflict of Interest Act, 1983, applies to the many thousands of elected municipal officials in our province. Why should we not have the same type of law on the provincial scene?

Mr. Sterling: While I did not have the opportunity to be in the legislative chambers, I

did hear the member for Cochrane South's speech with regard to this matter. I can tell the rather new member for High Park-Swansea (Mr. Fleet) that maybe the member for Cochrane South has been accused over this period of time, or a period of time since he has been a member, since 1977, of various different kinds of things or indiscretions, but one thing he has never been accused of is a lack of understanding of issues that were in front of this Legislature.

As the member for High Park-Swansea may know, the member for Cochrane South has been a minister of the crown, as Minister of Natural Resources and as Attorney General for this province, and he has a full understanding of the whole ambit of this conflict-of-interest act.

The frustration of the member for Cochrane South and many of the members of this caucus is that if you read the fine print, you will find that Bill 1 is in fact what the member for Cochrane South was saying: it is a copout by the Premier from accountability, a copout of this government from accounting to the people of Ontario for the indiscretions of that cabinet over the past two years.

Mr. Callahan: I listened attentively to the member for Cochrane South as he read to us from transcripts and it relived for me the trying experience that any member of this House would have to face under the previous rules. I think what Bill 1 does is to set out in a specific way how each member can meet his or her responsibilities and avoid the necessity of ever having to appear before a Star Chamber, and I suggest that the procedure used in the past was exactly that. I would not want to see any honourable member of this Legislature faced with that again.

There is an old adage in the common law that laws should be specific and should be clear in order to avoid the possibility of the decision being made on the basis of the length of the chancellor's foot. I am sure my friend from Cochrane South, being a member of the legal profession, would understand that.

Instead, what he does is to try to relive what I suggest was a tragic situation in terms of dealing with any member of this Legislature, and it was a process that could not be repeated again. We had the supposed rules of the previous 42 years which were so clear that I can remember specifically sitting on that committee and asking a question of one of the witnesses where I got three different answers and that person was supposed to be clarifying for me the rules that had to be abided by. Now, certainly if we got three different answers to those questions, how could any

minister possibly understand what those rules were?

So I applaud the introduction of Bill 1 because what it will do is set the record straight and allow us an opportunity, each and every one of us, to get on with the work and the task at hand.

Mr. Speaker: Any other comments or questions? If not, further debate. Because we go in rotation, I recognize the member for Halton North.

Mr. Elliot: Mr. Speaker, I was not rising to enter the debate. I wanted to make a comment.

Mr. Speaker: Order. I will have to ask if the time—there is still time. I am sorry; OK.

Mr. Elliot: As a new member of this House, I listened attentively yesterday to the speech of the member for Cochrane South. I would just like to note that I think it would be regrettable if the member for Cochrane South did not have the opportunity for two minutes to stand up and say something about the comments made about his speech yesterday. I think he should be facing the House on this matter with respect to these comments.

Mr. Speaker: There is still one minute and 16 seconds left.

Mr. Harris: I was going to ask if I could respond for the member for Cochrane South but that probably is not in order so I will take the minute to comment on the speech of the member for Cochrane South and the reaction it has evoked.

Some have said they would not want to see a member go through what two members from this Legislature went through. We would not want to see members go through that either. We were not in favour of those two members having to go through what they went through in the committees. They went through it because the Premier abdicated his responsibility. There was no problem with far more rigid guidelines, according to our interpretation, for 15 years under the Davis guidelines since they came in in 1970. There was no problem in interpreting those guidelines. Some ministers lost their jobs. Some did the honourable thing and resigned. Some were asked to resign.

What happened was that this Premier abdicated his responsibility. We are talking about cabinet ministers and we are talking about parliamentary assistants. The public has no say in who they are and this chamber has no say in who they are. They are left solely to the discretion of the Premier and he should be solely responsible for them.

Mr. Speaker: Further debate?

Mr. J. M. Johnson: I guess this bill is even more important than I had thought because we must have touched a raw nerve someplace with the member for High Park-Swansea and the member for Brampton South (Mr. Callahan). I do not think there is any concern in my mind that the member for Cochrane South will make the appropriate comments when he has the opportunity. I think he could well lay out more information pertaining to this issue if he so wished.

I would like to suggest that this bill is extremely important. It is the number one bill the government has decided to go with in the first session of the 34th Legislature, An Act to provide for greater Certainty in the Reconciliation of the Personal Interests of Members of the Assembly and the Executive Council with their Duties of Office.

In plain language, it is an act to control conflict of interest by the members of the assembly and cabinet. The government should consider this a number one priority in view of the problems it had in the last parliament. Two members of cabinet were forced to resign because of conflict of interest. For that reason, the government should consider it an extremely important bill and proceed with it as soon as possible.

Mention has been made many times of the former government's 42 years in office. I can tell the members that we always had a Premier with the intestinal fortitude to handle conflict of interest in a very expeditious manner and not have the problems this present Premier has.

1530

In the speech from the throne, the government states that the people of Ontario must have full confidence in their representatives, and so they should. I strongly support any legislation that will enhance that situation, but I wonder if Bill 1 will really achieve that goal.

I would like to point out some flaws in this legislation that I think might make the public very sceptical of the intent of Bill 1. I will read section 2:

“For the purposes of this act, a member has a conflict of interest when the member makes a decision or participates in making a decision in the execution of his or her office and at the same time knows that in the making of the decision there is the opportunity to further his or her private interest.”

To me, that means a member of this Legislature should not be involved in making a decision on anything that would be a benefit to that

individual. I have a few examples that I need clarification on.

Would it mean that no farmer could be Minister of Agriculture and Food? How could the minister bring in any policy that would help the agricultural community if he were a farmer? I understand that the present Minister of Agriculture and Food (Mr. Riddell) owns a 200-acre farm. If we bring in legislation that says the property tax rebate should be increased, and that minister introduces the legislation, does that not involve him in a conflict? Is he not enhancing his own worth?

That section gives us a real problem. Would it also mean that no doctor could be Minister of Health? Would it mean that no lawyer could take part in passing legislation? At some point as he pursues his career in law, he is going to be working with that legislation and benefiting from this Legislature's passing it. Who could be Minister of Consumer and Commercial Relations and not be in conflict with some part of that vast ministry? These are just a few of the examples that make this bill unacceptable as drafted.

I might mention a personal experience I had several years ago—I think it was in 1980—when we were dealing with rent control legislation. At that time, I happened to own an apartment building that had five apartments. The issue we were dealing with was the threshold, the number of units in an apartment building that would be affected by the rent control legislation. We were talking about four, five, six, even eight in number or maybe 10. I sat on the committee for a short while and it finally dawned on me that I was in conflict by being a part of that committee. I had no right to make a decision that the number should be six, eight or 10, when indeed I had an apartment building of my own and the number of units was in that neighbourhood.

I do know there were certain people on the committee who also owned apartment buildings. I declared my conflict to the chairman and resigned from the committee. I would think most members, if not all members, would do the same.

I think if there is one place where we, as members, are in conflict of interest, it is in setting our own indemnities and salaries. How can we say to the people of this province that we are so concerned about conflict situations when we decide the amount of salaries we should earn as members? Surely that puts us in complete conflict. I have not heard any member suggest that we should cut our salaries back; it seems that we always ask for an increase.

Hon. Mr. Conway: Is that the suggestion?

Mr. J. M. Johnson: To the former Minister of Everything, the current Minister of Mines and member for Renfrew North I say that it creates a problem. The committee that I used to chair, the standing committee on members' services, made a recommendation to this Legislature a couple of years ago that the members should not have a say in setting their salaries and that the Commission on Election Finances should be empowered with the opportunity to set our salaries without bringing it to the Legislature. We could simply approve it, but we would have no choice in setting the salaries. I feel that the government should follow through in this process, that some outside body should be setting our salaries, not the members themselves.

I would like to refer to clause 11(2)(a), and that is the disclosure statement. It says that "a statement of the assets and liabilities...of the member and the member's spouse" should be disclosed. Well, possibly it could apply to the member, but even then I am not sure that it would not create a problem. Would it not be extremely embarrassing to a member, and certainly to his family, if it were disclosed that he did not have any assets, that indeed he was deeply in debt? That, I would think, would be fairly embarrassing. I am not sure that what we want to do with this legislation is to put someone in that position.

I also am not quite sure what difference it makes what assets the member has. Maybe he was fortunate enough to inherit some money, or maybe he worked extremely hard and set some money aside. What business is that of this Legislature or the public? Even more important are the spouse's assets and liabilities. I guess on the odd occasion you might find a spouse who would not tell her husband what her assets were, or maybe her liabilities. In that case, would that member then be disqualified from sitting in the House? Maybe the spouse would do it deliberately, wanting to get the member out of the House. I wonder how the commissioner would deal with that possibility.

On the same point, I wonder if we create a very unfair position for an incumbent during an election. Incumbents' financial affairs become public knowledge, but the other candidates' financial affairs are their own business; they are confidential. So the one candidate runs with everyone knowing his financial affairs, his liabilities or his assets—and he could be penalized either way—and yet the other candidates in the same election are not treated the same way. If we are going to do this, then would it not seem to

make sense that the candidates in an election would also have to declare their assets and liabilities? Well, the member shakes his head, but I am not sure why.

Section 17 deals with the executive council: "(1) A former member of the executive council shall not, unless 12 months have expired after the date when he or she ceased to hold office," and then it lists several things they cannot do. If they contravene it, subsection 17(3) says, "A person who contravenes subsection (1) is guilty of an offence and liable, on conviction, to a fine of not more than \$5,000."

What if a former cabinet minister defies section 17 and does in some way benefit from an extremely lucrative deal by many, many times more than the \$5,000 offence? Would he not simply pocket the rest of the money, pay the \$5,000 fine and be home free? If it is going to be meaningful, the fine should be in proportion to the offence and certainly exceed any monetary gain to that individual.

These are only some of the concerns that I have with this legislation. However, I want to make it very clear that I do support conflict-of-interest legislation and look forward to the committee hearings. I understand that this legislation will be sent to the standing committee on the Legislative Assembly. I am pleased to be a member of that committee. Hopefully, a much better amended bill will be reported back from the committee. I will try to do my part to see that happens.

1540

Mr. Villeneuve: I too will participate for a short time in the debate on Bill 1, on conflict of interest. I was one of the members who subbed on the standing committee of the Legislative Assembly last year pertaining to a conflict by one of our peers, a member of cabinet. I want to just quote what was quoted by this member, the member for Cochrane North (Mr. Fontaine) at the outset. I think it is a résumé of what most of us try to do.

"My sole purpose from the day I was elected an MPP, was to serve the people of my riding, and in my capacity as Minister of Northern Development and Mines, to serve the people of this province...My motives were honourable but I see now that my actions could have been interpreted differently by some."

That was the problem. It was a lengthy committee hearing, very stressful on the member and his family, and one that I would not look forward to participating in again. However, the Premier in his wisdom saw fit to appoint this particular member to a portfolio that would

obviously create problems, in that he was a businessman of some renown in his area and looking towards the government of Ontario for certain rulings, certain conditions that would create problems for him almost at the outset, because one of his election promises was to provide a forest management agreement to his area. The Premier totally abdicated his responsibility by putting this member in cabinet, in a particular portfolio that inevitably would create problems; and it did.

I have some problems with certain areas of Bill 1. For instance, right at the outset of Bill 1, section 1, is the definition of "spouse." "Spouse" means a person of the opposite sex to whom the member is married...."

I recall this Legislature last year dealing with Bill 7, section 18. There was a great debate as to sexual orientation. It was this Premier's, this Attorney General's (Mr. Scott) and this government's response that sexual orientation should be protected, regardless of what a person's sexual orientation was. We have in Bill 1, on page 2 of this very first bill of this Legislature, the words, "spouse" means a person of the opposite sex." I think there is a dichotomy here and I would like to see this particular area addressed.

The definition of member is a "member" means a member of the Legislative Assembly or of the executive council, or both." So when we speak of a member we speak of the 130 members who form this Legislative Assembly.

Section 4 states, "A member shall not use his or her office to seek to influence a decision made by another person to further the member's private interest." I have some problems in this area—and they were alluded to by my colleague, the previous speaker—particularly when it involves people who may be involved with agriculture, farmers.

Does this mean that a farmer could not sit on a committee of the Legislature which would be bringing forward or formulating legislation that would affect his own business. If indeed that is what section 4 means, we will have the downtown Toronto folk creating legislation for the agricultural community of Ontario, we will have possibly those of us who are of an agricultural or farming background creating and working on legislation that affects the downtown Toronto folk, and I think it could wind up being a total catastrophe.

I believe that conflict-of-interest guidelines must exist; inevitably, they must exist. However, I believe the commonsense approach would be to somehow arrange particular guidelines that

would not exclude those people who know something about the legislation that is being brought forth. I think common sense has to come to the fore.

We talk about committees and, of course, a lot of legislation goes to committees, is amended, brought back to this Legislature, debated and finally passed. I referred to a select committee report today in question period. It is a report that was very carefully prepared by a group of very dedicated members of this assembly and it explains why Sunday openings, Sunday closings, Sunday law, the Lord's Day Act, should be changed but the day should be retained as a special day.

The announcement of this government yesterday totally overlooked and overruled this particular committee of the Legislature. I just wonder now why we have committees, if we are going to spend several months receiving delegations, listening to input from concerned people, citizens who do have concerns enough to come and express them to a committee, and then we totally disregard them. Here we wind up with legislation, conflict-of-interest guidelines, that will eliminate those people who may know and have vested interests in certain areas. As members of this assembly, they will be excluded.

I think this bill has to go to committee and be looked at very closely. I believe the executive council or the cabinet must be treated in a considerably different fashion than private members are. If we leave the likes of item 4 as part of this bill, we will be defeating the very purpose that most of us have been elected for.

I could go on at some length but I know there are a number of my colleagues who want to address other areas. These are but a few of the concerns that I have as a private member, especially the exclusion of people, if this particular bill is put forth in the fashion in which it is presented.

Mr. Cousens: I would like to compliment the member for Stormont, Dundas and Glengarry (Mr. Villeneuve) on his presentation. I think he has touched on a number of very important issues with a sincerity and a depth of passion that I am very impressed by. I listened to the member for Wellington and other members who are concerned with this issue and I would like to share in the intent that they are presenting to this House and to the people of Ontario.

I think underlying their concern is that we all know it is imperative there be guidelines so that there cannot even be the appearance of conflict of interest for any who are serving the public. There

should not be any misunderstanding at all that members from this side, from this party, believe in the importance of having a well stated, clearly defined guideline that can assist all members in fulfilling their responsibilities to their constituents, that will allow them to be above and beyond any suspicion, so there can be no doubt that their interests are indeed to the very heart of the needs of the people of our province.

1550

Politicians already do not have a very good reputation. Every one of us who is here has suffered the abuse that comes from the understanding that pollsters have found out that it is not one of those professions that has a lot of honour associated with it. Yet in my dealings with most of the members from all parties in this House, I have never had any doubt about the integrity of other members.

It has been a tragic occurrence that within the last few years there have in fact been circumstances for at least two members of this House where it was necessary for them to resign. There was an investigation. It meant that everything had to be looked at again and it meant that the Premier in his own wisdom had to bring in some new legislation that could get him off the hook.

I am concerned about it. I am concerned that what we have now done is to react in such a way that we are taking the responsibility away from the Premier who is primarily responsible for the selection of his cabinet and his parliamentary assistants and that we are putting the onus on some commissioner who will have responsibility.

By the way, Mr. Speaker, when we are debating important legislation like this, is the minister not supposed to be on hand to be party to it, to hear what is going on and to be cognizant of the feelings of this House? The parliamentary assistant is—

Mr. Offer: As the parliamentary assistant, I believe that pursuant to the standing orders I am able to carry the bill. The Attorney General will be back. He is at a very important meeting right now. He is very interested in hearing all the comments. He was here for the totality of the debate yesterday and, apart from the very important meeting he is currently at, he will be back.

Mr. Cousens: I wish he were here because certainly he is closer to the drafting of this. Hopefully, as this bill is considered further in committee, there can be amendments to it. It can be improved. It is a flawed document as it now stands, flawed in many serious ways.

I do not want to take away from the importance of this House considering the importance of having all of us accountable to the public and not in any way have the appearance of a conflict of interest.

It goes to a couple of questions I would like to ask. I do not think anyone at this point has the answer. Maybe one question that needs to be explored is, who wants to have all his personal affairs made public? I think there are a lot of sacrifices that one makes when one goes into politics. Certainly, in wanting to attract high-quality people to public office, it is important that we say: "Here is an opportunity to serve and an opportunity to do something for your community. But at the same time there are other things you are going to have to do."

I do not know other people's incomes and resources, but I think a large number of the members of this House have gone into office and taken a salary cut. The Speaker is nodding his own head and I can believe that. He has a new suit on anyway. The fact is that a great number of people in this House—I do not know of anyone who is here because of the money. The great number of people are here to do a job and to serve the people of Ontario. That really goes to the underlying reason we are here. Members of all parties come with that passion and that desire.

At the same time as one makes that commitment to run for politics, there are certain things that cease to be one's own. One's life becomes public; people begin to know who one is. That is part of the public acceptance and people enjoy that, at least a majority of us do. But how much of us is to become public? Does our family also participate in that? To some degree, some families are more involved in politics than others. Some families continue to have a very private life and what they do in their own home, in their own community, at their cottage and at their camp, whatever it might be, is theirs. It is not something they have to give up.

In declaring all the assets that all the members will have within 60 days of being elected is going to take away an element of privacy that each member of this House has cherished and guarded. The secrets they kept from their own brothers and sisters, from the other members of the family, could now be on the front page of the local paper.

Their friends are going to say: "Look, I didn't know that you had all that. Gracious sakes, when I went to you for that loan and when I was asking you for this, you said you didn't have it." Or on a more serious note, they are going to say, with

jealousy in their hearts: "My goodness, you've done well. Where have you done that well? How did you do it?"

Mr. D. S. Cooke: Either that or they'll understand why you didn't loan them money.

Mr. Cousens: That is true when they look at the declaration of the member for Windsor-Riverside, and when they look at mine they will know the same.

Then they are going to come along and say, "Look at your wife, we can see now how much she's got," or your spouse or your live-in, whatever it is that this legislation will define. "Isn't that interesting? I didn't know that you inherited that much."

If we want to attract quality, competent people to this Legislature, let us not put up barriers in front of them. Let us at least offer them the challenge to serve the province, offer them the opportunity to commit themselves to the people of their communities, offer them that chance to come and give, but let us not have them give everything away so that some of those things that are personal and cherished by themselves, that are a part of the secrets of life—we share with the tax man, our accountant and our lawyer, but do we want everything to be just laid out in public?

I think this legislation could be modified so that those who are in cabinet, those who are parliamentary assistants—it could be broadened to include senior civil servants, it could be broadened to include advisers and counsellors and comforters to the Premier and senior staff, but may it exclude for public record the detailed background of all the other members.

May these members, none the less, submit themselves to the commissioner, where they can then say, "All right, here are the facts and these are the sheets." The other part of the legislation could still stand that if someone had some concern about another member it could go to the commissioner where there could be a reckoning of it and, if necessary, there could be a public discussion of it.

But if it is for the sake of being able to say, "Oh, this Legislature is so clean; we're going to have all the laundry out of all the members;" that does not solve the problem of conflict of interest, and I think it creates another problem. It will create conflict in the minds and hearts of people who would otherwise want to commit themselves to public life.

The sacrifice will not be worth it for many. If they have the opportunity to serve in the executive council, then that can give them extra reasons to say, "Well, I think I have a good

chance of serving there, and when that happens I will be prepared to make it public." Until then, let there be some personal holding on to those parts of one's self and one's background that should not necessarily become everybody's property.

I am concerned with what this could do when we are trying to attract capable, competent, caring people into politics. We have them. I am convinced there are very, very many people in this House, and many in the past, who have served out of a sense of great dedication. Will we be able to continue to attract those people when this legislation is passed?

I hope this question is addressed. I know the Attorney General has brought in legislation very similar to Bill 23. I do not see any changes in it. This question was addressed before and he has not recognized it now. I have a fear that when it goes to committee, there will not be any opportunity for a legitimate, honest change to be made unless there is a rebellion in the back benches of the Liberal Party and these members begin to say, "Look, maybe Cousens is making some sense and possibly we can make some sincere amendments."

I would like to know what is going to happen with this legislation as it affects nominated candidates. What will happen is that for anyone who is coming up for re-election, his assets and his own personal finances are going to be public. What about newly nominated candidates? They will be able to hold that up for public information during election campaigns. What is going to happen to their public information? When they win the election, or if they win it will they ever have to make theirs public beforehand? Maybe it could influence the thinking of the electorate prior to the election if in fact they had to make public their assets prior to being officially nominated candidates.

I honestly would not like that, but I am telling members it gives an advantage or a disadvantage. In some cases, it will be an advantage and in some cases a disadvantage when previously nominated candidates' assets, especially if they have been elected, will have been public and those other people who are trying to get into public life do not have to make that public until afterwards.

For some it will be helpful; for some it will not. But why should that even be a consideration if we are looking at the worth of a person when it comes to the contribution he can make in this House, when it comes to the knowledge and

wisdom he can bring, his ability to make decisions, his ability to serve his community?

1600

I am concerned that this legislation does not do anything to touch upon those people who have the information. As a member of the Progressive Conservative Party, I am aware of many things that are going on in government and I am able to deal with them, I hope, with integrity. I am convinced that the majority of the people around this House and in the senior civil service do it in the same way.

But what of the opportunity? Does it not apply as well to those senior civil servants, assistant deputy ministers and the people in the Office of the Premier that they could prosper from the information they have? Why are they not included in this legislation? Why are they exempted? I suggest that they should not be exempted, that they should be part and parcel of it. So it should be expanded to include certain other people.

Why does this bill remove the responsibility from the Premier to be totally responsible for the people who have been selected by him or her? Our next Premier might be a female; who knows? But when he or she is choosing people within the cabinet and as parliamentary assistants, the onus should fall back on the Premier, not on some commission. I know that was the case for previous premiers. Why should it not apply to this one? The words used by the member for Stormont, Dundas and Glengarry were that it was an abdication of responsibility, and I believe it is.

There are a number of problems with this legislation. The definition of "spouse," I think, has to be analysed and assessed. That indeed is something that, when the committee has a chance to look at this, it can do something about. I am concerned that today alone we saw an example where the Attorney General was able to say, "We will not press charges on this one; because we do not believe, we are going to do something with Sunday laws." Are we going to have the Attorney General sticking his nose into this and changing guidelines along the way with excuses?

I mean, he has done it today. There was a historic precedent earlier in this House today when we saw the Attorney General of our province admit, "The law stands, but I have told the police we will not press charges." Well, is that going to happen when he comes along and says to the commissioner or to someone else, "I do not want to see us press certain charges against certain people"? I wonder about the insidious influence that someone can have. It can be for

good or for bad, but it would be for bad if that same person were to try to influence things and hide them, cover them up.

I am in favour of our having conflict-of-interest guidelines. I am in favour of having a clear statement of what it is we expect from politicians. I am also in favour of that extending to include senior civil servants. I am in favour of seeing that responsibility be to a commissioner—I think the commissioner will work—but I think it should also involve the Premier when he has selected and appointed people to office and high office.

I am concerned with some of the details of the legislation. The penalties are harsh. If a member fails to submit to the commissioner, then that member can lose his seat. What happens in this world where individual rights and freedoms stand when a member's spouse refuses to make public his or her assets? What happens then? The penalty is not all that clear in the legislation.

Maybe the parliamentary assistant has some good answers on that. What if that parliamentary assistant makes public his assets—and I hope it is just to the commissioner—and his spouse says: "I do not want to, because there are certain things that I do not think anyone should have to know. You are the boy who ran for politics. Why should I come along and make everything public that I have?"

What happens if his spouse refuses to make that public? How does it impact on her own rights and privileges under the Canadian Constitution? Does she have to? If these are certain freedoms she has and she says, "I do not want to," are we going to make her? Or is the member for Mississauga North (Mr. Offer) going to lose his seat? I would hate to lose such an honourable member. The fact of the matter is, what jeopardy is he in and what freedoms and rights does she have, assuming it is his spouse? It could be mine; it could be anyone else's.

This is flawed legislation that leaves large loopholes. They are not covered. Yet the papers and the media say—I look at the headlines and they make it sound as if this government is the cleanest bunch we have ever seen. It ain't, ladies and gentlemen. It is not, but it has won the battle with the media.

Mr. D. S. Cooke: It is all relative.

Mr. Cousens: It is all relative, but they are not relatives of mine.

Some of the headlines are: "Newcomer Joan Smith Warily Eyes Conflict Law;" "Premier to Name Conflict of Interest Watchdog;" "Interim Move to go Into Effect Until Legislation Can be

Passed;" "Cabinet Rule on Disclosure Extended to Spouses;" "Liberals' Conflict Bill Should be Passed" says the Ottawa Citizen; "Peterson Cabinet to Face Tough New Conflict Law." Here is the kind of thing that happens. It then says, "A conflict-free cabinet," the Toronto Star of September 16.

What happens now is that the public is getting that message across: "They are clean. We have new politicians who are really clean." All this conflict of interest is gone through and suddenly they are whitewash clean.

Mr. Runciman: Consider the source of that last one.

Mr. Cousens: That is right. I realize it is the Toronto Star. They like to think that everything is just perfect with the Liberals.

I wish there could be a sense in which there was a commitment in the hearts and minds of people to say, "What we are really trying to do is to address this problem of conflict of interest," and that the people of this province could trust us for the job we are doing and why we are doing it. It is a shame that we have had the problems in the federal House and this House with members who have gone astray, cabinet ministers especially.

But we should not overreact with the kind of bill we are coming in with now, because the public says: "Hey, they have a new bill in there. It is going to solve it all." It is going to create problems as well as solve some. If it is not going to be complete and whole and understand the whole fabric of what democracy is all about, then we are going to end up with something worse, not something better.

Before we know it, we might be coming out with another bill that says members not only must make all their financial information available, but also maybe they should have their medical information made public. So if some of us have other problems, they too will become public. Also, any mental report on us. Maybe we should have a test from some psychiatrist before we even run here. I will not suggest it. They might just put it in and I might be the first to fail. Who knows?

I think the sensitivity of personal and private information is an area that the government is trespassing on. We are willing to give ourselves to the public. They are the ones who need to test to see whether we are worthy of their trust. But the fact that we earned it on September 10 and hope to in the next election is something that we work towards and something that we base upon high ideals and high expectations. Let it not just be in words; let it be in the way we go about fulfilling our responsibilities.

I sincerely hope, now that the parliamentary assistant is gone and the Attorney General is not here—no, he is coming back—

Mr. Fleet: Madam Speaker, on a point of order: The reference by the honourable member, perhaps inadvertently, to the presence or absence of other members of this House is not appropriate. There has been a ruling, I believe last Thursday, to that effect. As a matter of fact, it was raised by the member for Burlington South (Mr. Jackson) on this very issue. It is also in Beauchesne, on page 103, section 316.

The Acting Speaker (Miss Roberts): Thank you very much. I am sure you are going to continue with your comments.

1610

Mr. Cousens: Well, you had better realize that does not apply at all, Madam Speaker, when you have got legislation in the House and the cabinet minister responsible for it is to be here, or his parliamentary assistant. He is here now but I did not see him in his seat at the time. That is not applicable at all. It does not apply as a point of order and I think the member is out of order to make that kind of statement.

Mr. Fleet: I am not sure if the honourable member now is telling me he is the Speaker, but I would have thought there would be a ruling from the chair as opposed to from the member for Markham.

The Acting Speaker: Member for High Park-Swansea, I rule that indeed you are out of order and I would like the member for Markham to continue, please.

Mr. Cousens: Thank you, Madam Speaker. I am glad the member for High Park-Swansea is here and listening anyway. That is more than most of the other members are doing in the House.

I think I have made my points. Bill 1 should not have been the first bill tabled in the Legislature. It is usually and customarily a bill that is not controversial. It has traditionally been a bill that the House would normally agree upon as the first bill that begins to set the tone for a new House. Bill 1, as presented by this government, is a very controversial piece of legislation.

In presenting it first, it comes out and it says to the public: "We are clean. Look at what we are doing." I do not agree with it. I do not agree with the way it has been cast. I do not believe the way it is presented. I do not think it is complete at all at present, and I think a hoax has been perpetrated on the people of Ontario if they think this is going to solve all their problems.

It is going to create them. It is going to make it more difficult to attract good people into this House. I do not think any of us like many of the aspects to it. I sincerely hope that when this goes to committee—and indeed, certainly our party will be pressing that it do go to committee—there will be a full discussion. I hope amendments can be suggested, tabled and approved that the government will accept, that will improve this and allow it to become a model piece for other houses in this country.

I repeat my fundamental point: I agree that all of us have to be above any appearance of having conflict of interest. May this bill lead in that direction. May it not cause greater problems than it is trying to solve.

The Acting Speaker: Would any honourable member wish to ask questions or comment on the remarks of the member for Markham.

Mr. Henderson: The member for Markham makes the suggestion that all members of this House should be subjected to psychiatric examination as a requirement of their holding office. I just feel I have to rise to say a word or two about that because I can say, as a recent practising psychiatrist, that I would see it creating real problems, if not posing us, indeed, with an impossible task.

It invites one to consider the partisan aspects of that kind of undertaking. Would one seek a Liberal psychiatrist to examine Tory members? Would one seek a Tory psychiatrist to examine Liberal members? I know one would have to find a New Democratic Party psychiatrist to examine NDP members because nobody else could possibly understand them. An NDP psychiatrist not too long ago was indeed a sitting member for that party and he may well be looking for some way of maintaining his engagement with the profession at this time.

I think psychiatrists are wont to observe that mental health has very little to do with competence in certain fields of endeavour and only casual observation would establish the validity of that in so far as legislators are concerned. I do not think it would be useful to have a psychiatrist examine members of the Legislature as a part of the conflict-of-interest provisions.

Mr. Cousens: I am indeed guided by the comments of the honourable member and I believe he is right. It would be hard to find an honest Liberal psychiatrist.

Mr. Runciman: He is the exception.

Mr. Cousens: We might find one, with difficulty. It is a frivolous point.

How far does one go in trying to determine eligibility for office? That is the fundamental question. I think most of us would fail any real test that was put because if we really look at the sacrifice each of us makes in trying to be a good MPP, of our families, our private time, our business, of financial and other things, at the stress it creates on members—we have a number of great friends and friendships we develop within the House, but there is also an element of loneliness for everyone here because when you get down to the office and are responding to the letters, there is a real grind that has to go on. There has got to be support for each one of us. We find that through our community and through our home, there is a family life here.

I want to see us build, I hope, an opportunity in this province to find areas where we can get away from partisan approaches to great subjects and great issues and raise it to a high level. Maybe that is something we can move towards. I just fear there is an insidious, underlying thing that is going to cut away on individuals. That is why I suggested that maybe some day they will try to put us through another, further type of examination. God forbid they do it, because then who would be eligible? That would create a new set of problems.

The Acting Speaker: Are there any other honourable members who wish to participate in the debate?

Mr. Sterling: I would like to begin my remarks by indicating to members of the Legislative Assembly that I participated as a member of the committee which considered the conflict allegations against the member for Cochrane North in 1986. As one of my colleagues stated earlier, it was not a very pleasant procedure.

I would first like to indicate that until now and currently, until any law relating to conflict is passed, the Legislative Assembly Act has some provisions which guide each and every member of this Legislature in what he or she is or is not permitted to do. One of those provisions says you cannot contract with the provincial government in a direct sense and there is a sort of fuzzy clause which deals with companies.

The second kind of instrument some members of the Legislature have to work with are conflict guidelines that heretofore have been set down by premiers of the province for members of their cabinet to comply with. During the 15 years of the Davis administration, and these conflict-of-interest guidelines were brought into force by Mr. Davis in the early 1970s, there was one case

where a conflict of interest arose. That related to Darcy McKeough who had a plan of subdivision stamped by one of the officials in his ministry. Mr. McKeough owned a portion of the family company that was involved with the land. Mr. McKeough saw the problem and resigned.

From that date forward to 1985, when Mr. Davis was no longer the Premier, there seemed to be no problem in complying with cabinet guidelines. I might add that during the time Mr. Davis was the Premier in this province, there was a period of six years when we had a minority parliament, from 1975 to 1981, when the business of the House to some degree was not controlled by the government side. Even during that period there was no allegation of conflict of interest against any minister in the Davis government.

Until the present government took office, there did not seem to be a problem with the method of controlling members' conduct. There was no problem that was brought to light either by the media or by members of the opposition bench.

1620

When the member for London Centre (Mr. Peterson) became the Premier of this province, he did two things. Number one, he altered the guidelines, and I will refer to that in a few moments. I guess the general overall problem with the Premier's attitude towards conflict of interest was summed up in the standing committee on the Legislative Assembly when dealing with the conflict concerning the member for Cochrane North.

In the words of that committee in its conclusions, "Notwithstanding the Premier's repeated assurances that he had enforced the guidelines"—that is, the cabinet guidelines—"it is evident that there was little, or no, effort to monitor compliance."

That report, incidentally, was agreed to by four Liberals who sat on that committee. Their finding, along with that of the other six members of the committee, was that the Premier had little concern over conflict of interest in his own cabinet. That report, which was drafted after long hours and much consideration by that committee, has in effect been ignored by the Premier by reappointing the member for Cochrane North to the cabinet.

While I have an affection for the member for Cochrane North, the Legislative Assembly committee was given the mandate to find out whether there was conflict of interest. There was a clear finding that there was a conflict of interest in

three major ways and many minor ways. Now we have a Premier who, upon being re-elected with a massive majority, has decided again to disregard what the Legislative Assembly committee found. What we are going to do is send out this particular bill to a committee and I wonder whether the Premier of this province will pay any attention to what that committee finds. It does not bode well for that committee.

I mentioned that one of the things the Premier did when he gained office was to water down or change the conflict-of-interest guidelines that Mr. Davis had set down in 1971. Under Mr. Davis's guidelines as they read, no private company in which a minister or his or her family has an interest may become contractually involved with the government of Ontario, period. In other words, if you were a minister in Mr. Davis's government, you did not do business with the government.

When the Premier came in, he added some fudge words. Those fudge words were "unless the interest of the minister or family has been placed in a 'blind trust' set up in accordance with these guidelines." So the Premier said, "When you become a minister in this government and you have a private company, you can still do business with the government," and that is where we got into the problems with the member for Cochrane North in particular, and that is the one I have best knowledge of.

When this whole thing blew up in June 1986, the Premier asked Mr. Aird to go back over what all the cabinet ministers in the Liberal government had filed in the Legislative Assembly to see if in fact they had complied with these watered-down guidelines. Mr. Aird, after going through each of the cabinet ministers' portfolios with a fine-tooth comb, found out that the then Minister of Education (Mr. Conway), the then Minister of Housing (Mr. Curling), the then Minister of Transportation and Communications (Mr. Fulton), the then Minister of Municipal Affairs (Mr. Grandmaître), the Minister of Natural Resources (Mr. Kerrio), the Treasurer (Mr. R. F. Nixon), the then Minister of Industry, Trade and Technology (Mr. O'Neil), the then Minister without Portfolio responsible for citizenship and culture (Mr. Ruprecht), the Attorney General, the then Minister of Skills Development (Mr. Sorbara) and in fact the Premier all had not complied with the Premier's own guidelines.

What kind of credibility is there now behind an act which tries to allay the fears of the public that this government is concerned over the business cabinet ministers do with their own government?

This bill is a weaker guideline, a weaker document, than the Davis guidelines from 1971 to 1985, under which Progressive Conservatives were willing to live because we saw the task and the honour of being a member of the government bench as being enough to sacrifice, in some ways, our own personal interests in order to have that high privilege.

John Black Aird goes on to say in his report: "It is not enough to ensure that private interests have not been preferred to the public interest.... The public must be satisfied that every minister has acted with the utmost honesty and integrity." That was certainly called into question in the most recent past.

Under those guidelines, and these are the watered-down guidelines that the Premier set forward when he became Premier, one could set up a blind trust. For those people who do not understand what a trust is, a trust is placing your assets, your businesses, in the hands of somebody else to run on your behalf, and a blind trust is supposed to mean that when you hand those business affairs over to that trustee you will give no direction to that trustee. You do not go through a third person in order to tell the trustee how to run your business.

The blind trust vehicle as set up waters down the guidelines. Then when we get into the Aird report and when we get to one of the Premier's cabinet ministers—I refer to the then Minister of Skills Development—whom do we find the minister has set up as his blind trustee? He set up his brother as his blind trustee. In my view that reflects the whole attitude of the government towards this whole area of conflict of interest. Sure, we are going to have a new act; they have 95 members in order to pass this new act. But will they live up to the intent of the act? Will they be honourable in living up to the intent of the act? I think their past record is extremely questionable.

In fact, even after all the problems that were faced by the then Minister of Northern Development and Mines (Mr. Fontaine) with regard to his conflict of interest—one of the major concerns was the forest management agreement in which he is a 16 per cent owner of Hearst Forest Management Inc., which eventually signed the agreement with the province. His sister owns about 33 per cent of Hearst Forest Management Inc. Even after all that, the government signed an agreement with Hearst Forest Management Inc. about October 1986, about six or seven months after the member for Cochrane North had been a minister in the Ontario government.

1630

An hon. member: Was it Mr. Spooner who was involved in that decision?

Mr. Sterling: For the Minister of Natural Resources (Mr. Kerrio), Mr. Spooner was not involved in any cabinet decision. He is not a member of the Liberal cabinet. The Liberal cabinet signed a contract with the member for Cochrane North to give the forest management company—

Hon. Mr. Kerrio: They made the recommendation that it should be signed. Put it on the record.

Mr. Sterling: Sure, I will put it on the record.

In October 1986, this government signed a contract with Hearst Forest Management Inc., and the member for Cochrane North is a part-owner of that company. He was only an ordinary member at that time, he was not a member of cabinet, but he was a member of cabinet six months prior.

Now the conflict-of-interest act says under clause 6(1)(b) that the executive council or a member of the executive council shall not knowingly award a contract to a former member of the executive council who has, during the 12 months after the date when he or she ceased to hold office, made representations in respect of the contract or benefit.

It was proven in the committee. It was proven when the standing committee on the Legislative Assembly sat and the member for Cochrane North appeared in that committee. In his second appearance he agreed he had talked to the Ministry of Natural Resources on either three or four occasions with regard to the forest management agreement.

All of the elements are there whereby this executive council, in the face of evidence given under oath, awarded a contract to a former member of cabinet within a six-month period, and the act calls for 12 months. You have to wait 12 months before you can give a contract to a former cabinet minister. So we now have a piece of legislation introduced by this government which it has not even lived up to after it had a problem with this particular individual in dealing with it.

I would like to talk now about the remedies associated with this particular act. They are located under section 16 of this act. Under that section, it requires the commissioner to come forward with a report and that report can do a number of things. It can say that the member be reprimanded. It can say that the member pay a fine, that he pay compensation, that the mem-

ber's seat be declared vacant. That is what the commissioner can do. But let us not trick the public, because the commissioner cannot do it on his own. He cannot declare a seat in this Legislature vacant. What the act says is that this House must approve what the commissioner says.

I have just gone through a litany of the lack of concern of this Premier with regard to his concern over cabinet guidelines, which was found by the Legislative Assembly committee. It was found that, in spite of what the Premier had said over a period of time, he had made little or no effort to monitor compliance.

What happens if the commissioner comes back and he says, "Mr. Peterson, one of your cabinet ministers has not lived up to the guidelines and we expect you to declare his seat vacant"? He has 94 seals over there who are all going to stand up and do whatever he says. They are always going to stand up and do what he says. They are going to stand up and clap if that is what he wants them to do. We all know that. We are not naïve. They are all going to stand up.

Interjections.

Mr. Sterling: Listen to them now. I have the seals going right now.

With the disastrous record of the Peterson government with regard to its responsibility toward cabinet guidelines, this is nothing but a copout by this government. In terms of its past record, I do not expect to see anything but a further copout in the future, even if this act is passed.

Mr. Offer: I would like to wrap up the debate on this matter, pursuant to the standing order.

I have had the opportunity to hear all of the debate in this very important matter. I would first like to thank the members who have participated in this debate.

There is no question that this legislation is viewed by the Premier and the government as of paramount importance. It is going to be a cornerstone by which all members will be measured. I believe this legislation draws a clear distinction between disclosure and conflict; that disclosure does not necessarily mean conflict; and that if one does not disclose, it does not mean there will be conflict.

I think that it results in a clarity of responsibility for the members with respect to their office, as well as giving the public the extent of accountability it should hold its members to.

I have heard the comments of the member for Oshawa (Mr. Breaugh), the member for Parry Sound (Mr. Eves), the member for Simcoe East

(Mr. McLean), the member for Cochrane South (Mr. Pope), the member for Wellington (Mr. J. M. Johnson), the member for Stormont, Dundas and Glengarry, the member for Markham and the member for Carleton (Mr. Sterling).

They raise matters of concern to them. I am and, as members know, we are in support of sending this bill out to committee for public input. I think that during that process we will address the concerns the members opposite raised, not only today but yesterday. We will be able to deal with the whole question of public perception of the integrity of members in this Legislature.

I believe the final result with the passage of this bill—and in that I do not pre-empt the role of the committee, with respect to its input—will be an elevating of the public's perception of the integrity of all members; that the members of this House are willing and able to conduct their own matters; that they are ready to enforce a code of ethics, a standard, by which they themselves will abide, clear to the members, clear to the public at large.

I think the final result of that will be an elevation of the perception of integrity on the part of the public. I hope the public's perception of integrity concerning all members will be raised to that which it probably is about most, because that is certainly of concern to all members of this honourable House.

We will be discussing, during the committee hearings, different concerns that have been raised by the members today with respect to their concerns with the bill. I believe that the committee process itself will be beneficial in dealing with the bill, that when the bill is discussed we will have the best possible bill that we can have.

1640

I am concerned, as all members are, with respect to public perception. I think that this bill will become a cornerstone of measurement, as I have indicated earlier; that we, as members, will have a greater clarity of our responsibility, first, to disclosure and, second, as to our procedure with respect to conflict of interest.

I think it is important that it applies to all members of the House. I think the public demands no less.

With that, I close this debate and ask that this matter be referred to committee.

The Deputy Speaker: Order, please.

Mr. Cousens: Why do we waste our breath?

The Deputy Speaker: As only the minister can close the debate, I have to ask questions. Any

questions or comments pertaining to the member's statement?

Mr. Cousens: Is there any willingness on its part, as a government—the Attorney General is back, and welcome back to the House, because indeed he has an important responsibility for all members to reflect honestly and accurately the intentions behind this bill.

Is there any willingness on the part of the Attorney General to make changes in this bill for honest and real amendments that can come forward through discussion in committee, and can some of those amendments reflect on some of the discussion that this House has had to date, not only now but when it was Bill 23?

Hon. Mr. Scott: I heard part of the debate, and certainly the honourable member for Oshawa, speaking for the official opposition, made a number of suggestions for changes that I thought have much to recommend them. One wants, as he expected, to consider them very thoroughly and to measure their impact on the policy of the law, but almost my opening words, for which the honourable member for Markham was not present, were that we were submitting this bill in the expectation that it would go to committee, in the expectation that the committee members, representing their parties, would have suggestions for change and improvement. Unlike the previous majority government, we are perfectly entitled to follow through on that obligation.

I was not here, unfortunately, to hear the honourable member for Carleton, whose views are usually very sound and considerably in advance of his party on most issues, but I will look with very considerable care at what he has said, as the parliamentary assistant will, and we will be glad to consider any changes at all.

I do not know whether, after that outburst, the third party will nominate the honourable member for Markham as a member of the committee, but even if he wants to come as a visitor we will be glad to consider, from our part, any suggestion.

Hon. Mr. Conway: He could be leader by then.

Hon. Mr. Scott: As my friend the House leader points out, he may indeed be leader of the third party by the time the matter is debated, although outbursts like today's do not make that more likely.

The Deputy Speaker: Do other members wish to comment? If not, does the member for Mississauga North wish to reply? Do other members wish to participate in the debate? If not, does the minister wish to close?

Hon. Mr. Scott: I think I have, Mr. Speaker.

Motion agreed to.

La motion est adoptée.

Bill ordered for standing committee on the Legislative Assembly.

Le projet de loi est déposé au Comité permanent de l'Assemblée législative.

ONTARIO AUTOMOBILE INSURANCE BOARD ACT

Hon. R. F. Nixon moved second reading of Bill 2, An Act to establish the Ontario Automobile Insurance Board and to provide for the Review of Automobile Insurance Rates.

Hon. R. F. Nixon: The purpose of this legislation is to provide for greater fairness and accountability in automobile insurance rates by establishing an independent automobile insurance board and providing for regulations to introduce a mandatory, uniform, industry-wide classification system. The classification system will determine different categories of automobile insurance and classes of risk exposure and the procedures for assigning insureds and vehicles to these classes. This classification system will not permit rating by age, sex or marital status.

When I introduced this bill, I stated my intention to provide a draft of the uniform classification system for public consultation prior to finalization of the regulations. Officials of my ministry, with the assistance of an advisory committee, are nearing completion of the consultation draft. The advisory committee includes consumer advocates as well as representatives from the insurance industry and the legal field.

To ensure a fair and open process, the Ontario Automobile Insurance Board will operate as an independent tribunal, subject to the Statutory Powers Procedure Act and the Freedom of Information and Protection of Privacy Act. The board will be led by a full-time chairperson and a panel of members. It will be required to set rates or ranges of rates that are just and reasonable, neither excessive nor inadequate. When the regulation prescribing the classification system is finalized, insurers will be required to set automobile insurance premiums on the basis of this prescribed system. All rates charged by automobile insurers must be approved by the board.

The Facility Association will also have to apply for board approval of its rates, and appropriate amendments to allow for this procedure will be made to the Compulsory Automobile Insurance Act. It is our intention that all the facts

be out on the table in order that the public can understand the factors that go into the making of the rates they pay. Therefore, Ontario's automobile insurance board, through the support of a secretariat, will maintain public information on rates and administer the public hearing process.

Consumer groups, individuals and companies will be able to present their cases during the public hearing process. Under the legislation before us today, the board may make its own rules of procedure as well as it may authorize inspectors to enter premises and examine documents and make relevant inquiries of insurers, insurers' associations and the Facility Association, subject to the requirements of a warrant.

Contravention of the act and orders of the board will be an offence, and substantial fines may apply. The maximum penalty will be \$25,000 in the case of an individual and \$100,000 in any other case. Until the board is established and has completed its process for setting benchmark rates under the new classification system, the bill provides for rate adjustments through only two mechanisms: The first is an across-the-board adjustment by regulation; the second is a transitional increase that a specific insurer has demonstrated to the board to be justified.

In the absence of either of those adjustment mechanisms, the bill provides for maintenance of the automobile insurance rates in place on April 23, 1987, and for 10 per cent reductions from those rates for male drivers under 25 years of age and taxis in the Facility Association.

Members will recall that the initiative represented by this bill was first announced by the government this past April 23 by my colleague the present Minister of Industry, Trade and Technology (Mr. Kwinter). At that time, it was expected the automobile insurance board would be operational by January 1988. The opposition at the time, however, thought it in their best interests not to let the legislation proceed. Other events have also overtaken us, and there has been some delay in the timetable of this bill. We now expect that the rate ranges set by the board should be in effect late in 1988 if the bill is returned from the standing committee and receives approval as quickly as possible.

Despite the fact that our original legislation died in Orders and Notices, the majority of the insurance industry has voluntarily complied with our intention to cap insurance premiums. As well, information supplied to us by the industry indicates that many companies have already refunded a 10 per cent rebate to male drivers

under 25 years of age and taxis insured through the Facility Association.

The industry, as well as the government, have viewed this cap as a temporary, interim measure to be effective until December 31, 1987, in order to permit the passage of legislation establishing the Ontario Automobile Insurance Board.

1650

I believe it is unreasonable to require the industry to wait until the last quarter of next year before being able to adjust its rates to reflect cost pressures that have accrued since its last adjustments. Some companies have not adjusted their rates since 1986 and have held to those rates to date. To compel them under this new bill to continue without adjustment until late 1988 would be to run the risk of insurers withdrawing from the market or having them drop higher-risk business, resulting in higher costs to consumers who could be forced into the Facility Association. It is certainly not our intention to create hardships for consumers nor to drive insurers out of business.

Therefore, in view of the risks resulting from the delay in establishing the board and the new rate structure, we believe it is reasonable to implement a transitional strategy. We will allow an across-the-board adjustment to the maximum of 4.5 per cent. This will be effective January 1, 1988. We believe this is reasonable action considering the delay we have experienced and in view of much larger rate increases in other provinces, particularly those where automobile insurance is government run.

Manitoba, for example, had a nine per cent, across-the-board increase in February 1987 and it is expected that further increases, to be effective on January 1, 1988, will soon be announced. Saskatchewan has announced a 10 per cent average increase effective January 1, 1988, and British Columbia has announced a 22 per cent average increase also effective January 1, 1988. In giving its reasons for this increase, British Columbia cited a 61 per cent increase in the cost of injury-related claims and a 22 per cent increase in the cost of repairing vehicles.

For exceptional cases, the legislation also permits application to the board for individual company consideration of rates. Increases would have to be justified by the companies to the board and the hearings would be open to the public.

I remind members that the legislation before us today constitutes substantial reform for the automobile insurance industry. As such, I am sure members will agree it merits full consideration, and I am recommending, if it were to

receive second reading, that it receive clause-by-clause review by a standing committee of this House, apparently the standing committee on administration of justice.

The creation of the automobile insurance board will bring public accountability and greater fairness to automobile insurance rates. I look forward to working with members of the House to put it into place in a timely way.

I also remind the members that this bill forms part of our ongoing efforts towards reform in the automobile insurance market. Further initiatives include amendments to the Insurance Act to improve consumer protection and access to information and a review of the Honourable Mr. Justice Osborne's report on his inquiry into motor vehicle accident compensation in Ontario.

I look forward to hearing the views of all members of the House on this important piece of legislation and will do my best to be able to respond with whatever information is called for.

Mr. Swart: I want to say that this bill that is before the House and being debated today is almost a bad joke.

When it was originally tabled on June 29, it was just three hours before the House recessed. At that time I called it act II in the ongoing insurance play entitled *A Funny Thing Happened on the Way to an Election*. I said the play had no point and the lead actor, who was the Minister of Financial Institutions, changed his lines in every performance. Of course, we did know the plot.

It was a cynical scenario with the sole purpose of dangling some expectations of reform in front of the voters prior to the election.

Now we are in act III of that performance. The play still has no point and the new actor knows his lines less well than his predecessor. This was evidenced on the day he retabled the bill and the preceding day, November 3. It is really worth noting what he said at that time.

The headline in the *Globe and Mail* was, "Liberals Back Away from Promise to Cap Auto Insurance Premiums," but all the newspapers that day carried basically the same story. Quoting from the *Globe and Mail*:

"There will be no capping provisions, said Mr. Nixon, who is also Minister of Financial Institutions. 'We don't feel it is necessary because the insurance organizations have co-operated fully with the capping of last April.'" He went on to say, "'It's much, much better for the industry to co-operate voluntarily,'" and, "'I'll tell you, I really appreciate the co-operation in maintaining the rates as they presently are until we get the legislation going.'"

The minister did not even know at that time that the capping provisions were in that legislation. He had not even read the bill when he brought it before this House. He had not even been briefed on it, I am sure, because normally he handles these things pretty adroitly. Certainly that was a faux pas, perhaps excelling anything that had happened to him in that way before.

Hon. R. F. Nixon: How about, "Guilty," with an explanation?

Mr. Swart: The minister can give an explanation in the two minutes he has when I finish speaking.

Well, caps or no caps, rate review or no rate review, it is a useless, costly exercise in poor theatre that will mean nothing to the Ontario audience of six million drivers, but it will ensure the theatre's chief patrons, the auto insurance companies, very rich dividends on their massive investment in the Liberal show that took place between August 1 and September 10.

I want to tell the minister that we in this party are not going to take part in this third act of his little play. We will pull all the ropes we can find to drop the curtain and replace his phoney performance with a genuine act that will reduce the cost to that great Ontario audience of drivers and give them co-operative management of the performance and the fairness and cost-cutting they deserve.

Hon. Mr. Kerrio: If you couldn't sell it before, I don't know how you're going to sell it now.

Mr. Swart: We will get to that before I am finished here. I think it is worth tracing briefly the bizarre convolutions that eventually brought this bill before this House. Simply, there was not the slightest bit of sincerity about doing anything real to help the motorist and there still is not. It was purely total political expediency that brought that bill here.

Rates started to escalate excessively in the spring of 1985. It was on August 26 of that year that I wrote the first letter to the then Minister of Consumer and Commercial Relations; the ministries had not been divided at that time. I pointed out to him that there were increases of 50 per cent and 100 per cent in liability insurance and that the common increase people had received in automobile insurance up until that time had been 20 per cent. I suggested the time had come to have a freeze put on automobile and liability insurance rates until an investigation was done by the government to determine if those increases were justified. I do not think I have received an answer to that letter yet.

The fall session soon opened and the issue was debated every week. Questions were raised in the fall of 1985 and we had a special debate on this in the fall of 1985. That carried on into January 1986. Of course, during that time we were raising these questions in the House with the minister, saying: "What is he going to do about it? At least he should be doing an investigation."

It all was stonewalled. The news media were carrying, day after day, horror stories about what was happening in the insurance field.

1700

Finally, in January 1986, the minister at that time was bludgeoned, and I do not think that is an incorrect word, into doing something. He appointed the Slater commission, the Ontario Task Force on Insurance. We did not take very kindly to it because we did not think it was a very appropriate thing to do in the way it was appointed. First, it was a one-man commission. Second, those appointed as advisers were primarily from the insurance industry. They were advisers to the minister. That commission was not empowered to travel the province, only to sit in an office here in Toronto and from there determine the problems people were facing.

The minister decided that he should state over and over again at that time, and the Premier (Mr. Peterson) did as well, that although the government was appointing the Slater commission to investigate the insurance problems and to make recommendations, it was not interested in knowing, in finding out in any detail about the alternative public auto insurance systems in the western provinces.

At the same time as they were supposed to have been appointing an independent commission to look into this matter and provide answers to the problems, they were saying publicly within this place and outside this place, "Philosophically, we are opposed to the government running these and we do not think it is a real alternative." All they said was, "If somebody can prove to us that it is better, we will take a look at it, but we are not going to investigate it and we are not telling Mr. Slater and his commission that they should look into it."

In spite of the fact that Saskatchewan driver-owned public insurance had been in place for 40 years at that time, that in Manitoba it had been in place for 16 years and in British Columbia in place for 14 years, in spite of the fact that all the independent investigations that had been done on those systems proved that they are far cheaper than here, that there was no discrimination out there and that rates had not increased anything

like the way they were increasing in this province, they refused to authorize that investigation to be made, even though the Liberal and Conservative parties that had—

Hon. R. F. Nixon: Now he has got going. Now he has left his script. Now we are getting—

Mr. Swart: We do not mind. We can understand how the minister wants to interject on these things to try to indicate that this sort of thing did not take place, but in fact it did.

The same Liberals and Conservatives refused to investigate those plans, even though a Social Credit Party that had fought vigorously against those plans when they were introduced by the New Democratic Party, once it was in power and it did its investigations, said, “These plans are greatly beneficial to the people of this province and we must keep them.”

They have praised those plans year after year since their inception and when they have been in power, they have praised those plans. Even today when Premier Vander Zalm said he would sell off the parliament building—he is going to privatize everything in British Columbia; he will even sell off the parliament building—he is not going to put the public auto system up for sale because it serves the people of that province so well.

We did not think a great deal of this commission, as I have already said, because of the limitations that were placed on it, because there was an advisory group to a one-man commission that was composed of people with a vested interest in maintaining the system we have here in this province. So we decided we would appoint our committee and go out ourselves into the real world and talk to the people who were suffering these injustices from the insurance companies in this province. Many, of course, and perhaps the majority of them, are owned outside this province and outside this nation.

Dr. Slater reported in May. He made two volumes like this and I know the minister will have read them thoroughly all the way through.

Interjection.

Mr. Swart: Oh, no. He is the minister now. He must know what is in these. He will know exactly what is in them.

In fact, he had in here a lot of praise for the western plans.

An hon. member: No.

Mr. Swart: Yes, and he had a lot of condemnation for the insurance industry here. Let me just read the members what he said about the insurance industry here. I quote from page 208 of his document:

“For an industry that depends on numbers, and that does such an impressive job in assembling and analysing data for many rate-making purposes, the gaps in statistics and analysis sketched above are puzzling. For reasons which the task force was not able to fathom, statistical and analytical exercises, which are both possible and could be done economically with modern information technology, are either not done, or are done incompletely and ineffectively.”

That is that efficient auto insurance system that the member is defending and supporting here in Ontario. By contrast, Dr. Slater says these words about the public plans.

Mr. R. F. Johnston: What page?

Mr. Swart: This is page 193:

“The chairman considers the following to be a fairminded evaluation of the facts. First, when the government insurance companies in Canada have been well run and not overburdened by social missions and unreasonable restraint on their premium rates by their masters, they have been quite efficient. They have all been efficient performers in recent years. They have also managed to achieve a few social goals as well as provide good-quality insurance services.”

I am sure those public insurance companies have managed to put a little more of the revenue dollar into the claims payments than the average private insurance company has in Ontario. Of course, he had no mandate, you see, to go into detail on this and find out really how much additional money they had paid back to the insurers, but in any event, he made that comment. He then went on to say:

“Sixth, the data and analytical systems in the government insurance corporations have been impressively efficient, using state-of-the-art technology. This is especially true of the Insurance Corporation of British Columbia. Such systems have been a major factor in the relatively good performance of these corporations in the recent insurance cycle.”

That was his comparison of the system. Of course, he did not recommend. He said: “Not just now, anyhow. Let us give the insurance companies one more chance.” Of course, he is being paid by a government that had told him that philosophically it is opposed to the public insurance system. It is not even investigating it, let alone bringing it in here. He had to be a bit careful if he ever wants another job from the Liberals and he did not go quite as far as to say we should have that kind of system here, but anybody who reads these reports will know very well that in his mind he felt that those systems in

those western provinces were far superior to the one we have here.

After the Slater report in May 1986, the government was in a state of paralysis. Nothing happened. Slater recommended no-tort, no-fault insurance in that report, but immediately, of course, the lawyers took opposition to this and said, "We cannot have this." They put up arguments. I cannot tell members how valid they were, but they said, for instance, that a full no-fault system would cost the motorists of this province \$818 million more.

1710

They also derided the fact that people would lose the right to sue the insurance companies. How, in fact, would you settle a dispute? In fact, with what is proposed now under the smart no-fault, the lawyers say that 92 per cent of all court cases would be eliminated. How would those disputes be settled? They would be settled by the insurance companies—on their own terms. Is that not great? Boy, if you think they have done a good job with rates over the last couple of years and how fair they have been, no discrimination, then of course you will understand how the people would just love to have them making the decisions on their own on the final settlement. They will be in good hands.

Of course, on that there was not really any way they could pass it back to the municipalities as with store closings. There really is not any way the minister can pass it back to the municipalities, so he had to do the other thing. He had to do nothing; nothing—and absolutely nothing was done from May until November 1986. On November 6, they took some action.

Of course, things had been getting worse and even the newspapers were coming out saying editorially: "Something has to be done about this. It's horrendous what is happening to the people in this province on insurance. Something has to be done."

So they did what this Liberal government is best at. They appointed another one-man commission to report on the first one-man commission. He had until November 1, 1987. I kind of thought we were in December now, but it clearly states that he is to report by November 1.

In fact, I think it is worth reading from the report that the then Minister of Financial Institutions tabled in the House on November 6 when he appointed Mr. Justice Coulter Arthur Osborne. It says, "The Honourable Mr. Justice Coulter Arthur A. Osborne of the High Court of Justice for Ontario has agreed to undertake this assignment and report to the Attorney General

and the Minister of Financial Institutions by November 1, 1987."

I realize that since this whole problem started, only three years have passed and we have not yet got the report on what we are supposed to be going to do about it. The \$3 billion a year that the people are now paying for their auto insurance premiums in this province—and that is what it is, probably more this year even than \$3 billion—that is what they should be paying, eh, Minister? You could not fault this government—after all, it has only been in power for two and a half years—for not doing a single solitary thing about solving the insurance crisis.

Of course, the Osborne commission was primarily on one issue, and that is the place tort should play in a no-fault system of compensations. And of course, once again this commission's terms of reference were restricted and the advisory committee was loaded again in favour of the vested interests for the status quo.

Let me read the names. There are 10 people on the advisory committee. Out of that, you have two consumers—

Hon. R. F. Nixon: They're all consumers.

Mr. Swart: —two people representing consumers in Ontario on that advisory committee. They have Helen Anderson of the Consumers' Association of Canada—I think perhaps she is probably as good as any two of those from the insurance industry—and they have Harry Beatty, the counsel to the Advocacy Resource Centre for the Handicapped.

Then we go on from there: Clifford Fraser, vice-president, State Farm insurance; Alex Kennedy, counsel, Insurance Bureau of Canada; George McLean of McLean and Dickey, lawyers; Bert Raphael, a lawyer, a friend of Tom Millar's for many years. Tom Millar told us that himself. Members of course know who Tom Millar is.

Mr. Runciman: Is that Frank Miller?

Hon. R. F. Nixon: Is that Frank's younger son?

Mr. Swart: The senior person in the minister's office.

Mrs. Mary Anne Sanderson, a lawyer from London; H. L. Sutherland, vice-president, Adjusters Canada; Wendell Wigle of Hughes, Amys, lawyer; John Weir, superintendent of insurance of Ontario; and then the counsel, John Laskin and Mrs. Nancy Reason.

Here we have a commission that is supposed to be investigating no-fault insurance and even the delivery of it by a public system. Again, it was

told: "We are not really in favour of that. Do not go too deeply into that one." But it was supposed to be investigating these two things—and the bulk of the representatives on here are lawyers more than anything else—and the insurance industry. Do we expect to really get an objective report?

Hon. R. F. Nixon: You cannot damn lawyers for that reason alone.

Mr. Swart: I want to say to the minister that when he was in opposition, he would damn a whole organization because it had one lawyer in it. He knows he would do that, and here this is loaded with them. It is his government that puts them on now and he is responsible for this commission. My, how times do change.

Here there are two studies over a two-year period without instructions to do an in-depth, independent comparison of the efficiency, the fairness and the cost-benefit effectiveness of the western publicly operated plans with the Ontario system. Over two years, and the government has refused to even investigate, to even look at them.

Of course, that is perfectly understandable, because if the government did that kind of in-depth investigation, it would find out how superior they are. It would have to publish a report in Ontario and all of the motorists here would know. It is much better to keep them in ignorance. But the government underestimates them if it thinks they are in ignorance on this now.

The total refusal to even do that in-depth comparison of the systems was even too much for our Tory friends here on the left in the House, and on December 4, 1986, they voted in favour of my resolution.

Hon. Mr. Wrye: Say it isn't so.

Mr. Swart: Yes, back on December 4. Let me read that resolution. It is pretty significant.

Mr. R. F. Johnston: The member for Leeds-Grenville (Mr. Runciman) remembers this, I am sure.

Mr. Swart: I am sure he will. I do not think he voted for it. I do not want to compromise him. I think maybe he stayed out of the House and did not vote for it.

This is what that resolution said:

"That in the opinion of this House, recognizing the massive problems that exist in Ontario's auto insurance system, namely, excessive premiums and escalating rates generally; good young male drivers paying three to five times average rates; all drivers in a household penalized for one driver's record;...the growing number of uninsured drivers in Ontario; arbitrary cancellation of

insurance or massive premium increases for frivolous reasons, and inadequate or nonexistent no-fault compensation, and, recognizing that the Slater commission has failed to propose recommendations to resolve these problems and, in particular, failed to investigate and report on the financial and other benefits of the public auto insurance plans as practised in Manitoba, Saskatchewan and British Columbia; and recognizing that Mr. Justice Coulter Osborne has not been instructed to make any in-depth investigation and report on those plans either, the government of Ontario should appoint immediately a respected firm of financial and accounting consultants (like Woods Gordon, who did the previous study in 1978) to make a comprehensive study and comparison of the rates and policies of the western public plans with those of Ontario so that the public of this province know the true facts concerning a major auto insurance alternative which could be made available to the people of this province."

That was a reasonable resolution. Even the Conservatives and, I think, a few Liberals realized that, and the House passed this resolution to give these instructions to the government of this province.

What has the government done since that time? In just two days, that resolution, that direction from this House to the government, will be one year old, and it has not done a single thing about implementing it, for the same old reasons that I gave before. It really does not want the people of this province to know those benefits, so the government has taken no action on that.

I was raised on a farm and I recall that they used to have horse salesmen come around then. This goes back a few years, Mr. Speaker, as you will understand.

1720

Hon. R. F. Nixon: You mean before the tractor was invented.

Mr. Swart: Yes, almost before that. I am probably about in the same age category as the Treasurer (Mr. R. F. Nixon), so he will understand this story even though many others here may not.

My father needed a horse and they used to have horse salesmen go around. I guess their image was even poorer than the used car salesman's today. I recall on this particular occasion they brought this horse, and my father looked at this horse, he felt it over. He felt the knees to see if it had arthritis. The Treasurer will recall this: He looked in the mouth to see the teeth to tell how old the horse was. Then he gave it a slap on the

back and the horse took off and ran right into the side of the barn. My father said to that salesman, "You tried to beat me. That horse is blind. You tried to cheat me." The salesman said, "That horse isn't blind, it just doesn't give a damn."

Mr. Runciman: That sounds like a Liberal.

Mr. Swart: Yes, Liberal. That is the attitude of this government. I think maybe it does give a damn. The problem is it gives more of a damn about the insurance companies than it does the motorists of this province. That is the problem.

That little manoeuvre of appointing that second commission did not really solve the problem. It did not stop the criticism. It did not stop the cases being publicized in the media, the horror stories about what was happening to people, their insurance situation. This government mouthed all the insurance company slogans about: "Oh, subsidization. Those western plans are subsidized by the government." This, of course, came out in the last election.

There has only ever been one subsidy to one of those plans. That was a subsidy by the Social Credit government, for very political reasons, to the British Columbia plan when it was first initiated. The advertising put out this summer by the insurance companies has all of them being subsidized. Saskatchewan's auto insurance plan, according to their advertisement, was subsidized by \$72 million. That \$72 million never went into the auto insurance plan; it went into the general insurance section, and it went into the general insurance section to pay claims which had developed because of a horrendous storm in that province. They are operated, of course, entirely separately. All they would have had to do was phone Saskatchewan to find out that that money did not go into auto insurance at all, not one cent of it.

The Liberal government and, of course, the former minister did that in this House: talked about the subsidy of those western plans. Of course that is false.

Hon. Mr. Kerrio: Should we open a branch here now? Should we open a branch here in Ontario? That is the answer to the whole question.

Mr. Swart: That shows your ignorance. I hardly think that is worth answering: "Open a branch here." The efficiency of those systems is that they have one insurance company in those provinces and they can act efficiently. We will come to that a little later. The member should listen and he will get the answer to it, I assure him.

They also said: "You can't expect to have insurance rates as cheap in this province, with all the traffic you have and the density of cars. Out there in those western provinces, they only have a car or two a day on lots of those roads. They don't have any accidents out there."

I have statistics here from Transport Canada, and we used them in the election campaign, to show that the ratio of accidents per 100 cars is far greater in those western provinces than it is here, the proportion is far greater. Let me give members the figures for the last six years.

In Ontario, the average of accidents for the last six years is 3.7 accidents for each 100 automobiles registered in this province. In Manitoba, it is 4.7, almost 25 per cent higher. In Saskatchewan, it is 5.3 and in British Columbia, 5.2. Every one of those provinces has more accidents per 100 cars than they do here.

You know, somehow or other it is not the density of cars that causes claims; I am sure even the Liberals over there can understand this. It is the number of accidents that you have proportionately that causes claims, and they have more in the west than they have here in this province. But that did not stop them from carrying on saying it is the density of cars here, and it did not stop the Liberal candidates, either, from making those kinds of comments.

Of course, they also said, "Well, rates really are not any cheaper out there than they are in this province." We have heard that occasionally, not too often. Well, of course that is ridiculous. There have been, I suppose, two dozen investigations done over the last five years by the Canadian Press, by the Toronto Star, by the Globe and Mail, by all kinds of independent organizations, and the only two groups—no, I should say three—that say the rates are not substantially cheaper out there are the Fraser Institute—and I think maybe even some of the new Liberal members might know a little bit about the Fraser Institute. It is really away to the right of where the minister is and where his Liberals are.

Hon. R. F. Nixon: There is not much room to the right of me.

Mr. Swart: No. You took my next line right away from me.

Of course, there are the insurance companies. I said there was a third group and, of course, that was the Liberals in Ontario, but they only mouth what the insurance companies say, so really there are only two groups, because they are spokesmen for the insurance companies.

Quite frankly, the public did not believe either the insurance companies or this government, and they both became more and more defensive last spring on this issue. Even the Liberals' own strategists were telling the government it had to do something more or they were in deep trouble in the coming election. Then, to make things worse, some of these critics, some of these advisers went public because the government was not listening to them.

I have here a very interesting article taken out of the *Toronto Star* on April 19, 1987. Note that date because it has some significance to it. This article is written by Jim Coutts. Some members will know Jim Coutts, of course.

Mr. Villeneuve: What is his political affiliation?

Mr. Swart: I am not too sure, but I think he had something to do with Trudeau when he was in Ottawa and I think the Liberal Party classes him as one of its principal advisers on almost everything. Obviously, they must have shunned him, because this article is headed, "Peterson Can't Duck Auto Insurance Issue."

He goes on to talk at the start of the article about the problems the Liberal Party is in, but I want to come to the recommendations. He says:

"As some of us encountered these large, potentially explosive issues"—he is talking about auto insurance being an explosive issue—"in the late 1970s and early 1980s, we tried to develop some way to assess the potential force of the political blast they would create. There are seven criteria that can be used to decide if you have a summer breeze or a political hailstorm. I apply these to no-fault auto insurance and conclude that Messrs. Peterson and Kwinter had better act. This is no summer breeze."

Then he made these proposals.

Hon. R. F. Nixon: He is talking about no-fault.

Mr. Swart: The way you sort of rejected him, well, I reject him on his knowledge on auto insurance as well.

Hon. R. F. Nixon: You are mixing up your arguments if you are going to use him as your own guru.

Mr. Swart: I tell you, on this side we sometimes have to mix our arguments because we want the members over there to understand it. They cannot understand it if it is straightforward.

1730

Let us go on with what he had to say. He says:

"1. Does the perceived problem affect a wide cross-section of middle-income taxpaying vot-

ers? Answer: Absolutely. There are 15 million Canadian car drivers, six million of them in Ontario.

"2. Does the money involved take a significant bite out of a family's household budget? Answer: Yes, indeed, with insurance premiums in Ontario \$200 to \$300 higher than in other provinces and as high as \$3,000, and that is a significant bite.

"3. Is there a festering sense of economic grievance and unfairness? Answer: You bet. When 19-year-old policyholders are treated much differently from 40-year-olds and women much differently from men, there is a strong sense of something being unfair and wrong."

I want to just go back to remind all the members, in case they have forgotten the thread, that these are the criteria the Liberals have developed to tell us something is a major issue and is politically dangerous.

Hon. R. F. Nixon: That is not government-operated you are talking about. It is no-fault.

Mr. Swart: Just listen. Mr. Speaker, there is supposed to be some rule here, is there not, about interjections?

The Deputy Speaker: Yes. Ignore them.

Mr. Swart: The ignoring part could come very easily.

Let us go to number 4, if I can have the attention of the Treasurer. Incidentally, I appreciate his being in the House this afternoon. It is not always in these debates that we have the minister responsible here, but I do appreciate the fact that he is here, even though his ears may be closed on most of what I say.

Then the fourth item was: "Has there been a dramatic change over a short period of time? Answer: Yes. Just ask cab drivers how insurance rates have changed. They will tell you of increases of as much as 30 per cent a year. Others will say rates have risen 65 per cent since 1982."

Then he says, "Does the public identify a villain?" That is the next criterion. "Of course. It is the insurance companies, and the companies in turn blame the lawyers. But these fights are irrelevant if the government does not act. It will become the villain.

"6. Are there other jurisdictions where the issue has been faced and well resolved? Answer: Yes, and you do not have to go outside Canada to find them. Rates have been significantly lower in Saskatchewan, British Columbia, Manitoba and Quebec. This is perhaps the NDP's strongest card." Jim Coutts, the adviser.

"7. Is there a danger that the issue will develop into something wider and become more symbolic of other strains on the government? Answer:

Without question. A failure to deal quickly with insurance rates will show that the government is too closely tied to big business and that it does not know how to manage the public agenda. To date, Peterson has had a good record in avoiding both pitfalls."

Applaud, applaud. It is the only thing he said favourably about the Premier here. The members had better applaud now or they will not get the chance.

"In short, this is a big one. It is like rent controls, extra billing, separate school funding, wage and price controls. It will not go away. It is more than a big whim. The government has four options: Dismiss the issue, fight it, study the matter or take the issue over, co-opt the political territory and deal with the grievances. My recommendation on this one would be to co-opt it fast.

"To succeed in co-opting the issue, the government must make it clear that rates will come down, unfair discrimination on the basis of age and sex will stop and the totally unacceptable legal delays that victims of auto accidents face in receiving payments will end. In short, the public must be well protected."

Then he does the classic Liberal statement. He says: "Manitoba, Saskatchewan, British Columbia and Quebec," where they all have the publicly operated systems, "are the model for Canada." He just said that, but then he took the normal Liberal move and said: "In my view, he does not have to nationalize the industry to achieve these changes. Regulation is quite an adequate tool. Delay is not."

What he is really saying to this government is: "Put on the act that you are going to do something on this. Say you are going to regulate these rates. Say you are going to do away with discrimination. You just have to say that. You do not have to have the real thing." That is what he was telling the Liberals in this article, which he publicized after he got no action lately.

Guess what happened? On April 23—that is four days after this had a huge display in the *Toronto Star*—the minister responsible for auto insurance did exactly what Jim Coutts had told him four days before. Of course, what he announced had nothing to do with solving the problem; it had everything to do with political strategy for the coming election. That is what this whole thing was written about. It had nothing to do with solving the problem.

So the Minister of Industry, Trade and Technology—the then Minister of Financial Institutions—and his government had said them-

selves, of course, that rate regulation would not work. They had ridiculed rate regulation. I had a private member's bill before this House on a number of occasions about rate regulation, never as the answer but as an interim measure until we got public auto insurance. When questions were raised about it, the minister ridiculed it several times.

In fact, it is worth reading what the former minister said in the House—and the Leader of the Opposition (Mr. B. Rae) said this today—when this issue was raised by myself on October 14, 1986. I said: "My question is of the Minister of Financial Institutions. I am sure he is aware that the just-published Statistics Canada figures show that casualty and property insurers of Canada had net profits of \$292 million during the second quarter of 1986." Boy, they were doing all right. This year they had \$772 million, but in 1986 they had \$292 million during the second quarter.

I asked, "Given that that is two and a half times last year's figure and 12 per cent higher than ever before recorded for that quarter, will the minister admit, first, that the insurance companies are doing exceedingly well at the expense of the public of Ontario and, second, that the time has come to halt any further increases in auto and liability insurance rates?" It would seem that would be reasonable.

The minister said: "I appreciate the member's comments, but he should know that talking about profit in isolation means nothing. He has to talk about return on investment. I am not trying to apologize for the insurance companies"—heaven forbid; he had been doing it every day for a year—"but the member should know that in automobile insurance, from the latest figures available for 1985, for every dollar of premium that was taken in on automobile insurance, \$1.31 was paid out in claims."

That figure came, of course, from the insurance companies. I have documents here from the Insurance Brokers Association of Ontario which compliment the minister for using the figures of the insurance companies in the House. They say—and I will be quoting this later—what good friends they have in the Liberal Party. Part of the commendation they gave to the Liberals was that they in fact quote the figures of the insurance companies.

I said to him: "I am not talking about profits in isolation; the \$292-million figure is after they paid all their taxes. Given his intransigence in even considering the efficient and low-cost public auto insurance systems in Manitoba, Saskatchewan and British Columbia, and given

the huge profits of the insurance companies, will the minister at least proclaim...section 371 of the Insurance Act, which gives his ministry the power to hold or adjust rates that are excessive, discriminatory or unreasonable?"

I do not know whether the people over on that side of the House know that there is already a section in the act that authorizes the minister to adjust rates that are excessive, discriminatory or unreasonable. It has been in the act for 50 years, but the Conservatives never proclaimed it. Do you know what? The Liberals have refused to proclaim it, too.

It is already there, so I asked him if he would proclaim that. The former minister said: "That provision has been on the books for more than 50 years; not one government has seen fit to implement it." That is right. Neither the Conservatives nor the Liberals in all that time saw fit to implement it.

Then he said, "Alberta has such a plan. If that plan were in effect in Ontario"—and these are the significant words—"during the past five years the people of Ontario would have paid from eight per cent to 39 per cent more than they are paying now."

That is what he says about the government's rate review board. If this rate review board had been in five years ago, the people would have been paying from eight to 39 per cent more. Is that ever effective for the motorists of this province. Is that not effective? That really shows bravery on behalf of those people. That shows trampling. That is trampling on those insurance companies.

That is what the minister said himself. Of course, I read you the Slater report. The Slater report recommended against this. It might be wise just to read that again, I think, because they may have missed that.

This is the conclusion of Mr. Slater, the man the government appointed to look for the solutions for auto insurance problems and insurance problems generally. He says:

"There are inherent dangers in establishing a process of regulation:

"It may tend to favour the regulated industry. Insurer interests, with their more concentrated stakes, will have greater incentives to mobilize and greater access to relevant information and will disadvantage a less informed consumer interest. This may result in rates being set too high.

"While rates of return may be set just right, they can also fail to provide incentives to increase productivity.

"Rate regulation has been tried, in various forms, in the United States with respect to insurance rates. The opinion is that the effects have been largely cosmetic, in that regulators allow deviations from established levels in rates that are, in effect, determined by competitive forces."

Perhaps when the minister gets up, he will tell us how much the Slater commission cost the people of this province. It recommends against a board. The former minister recommended against it. But the government brings it in; it brings in the bill. That is maybe a Liberal pattern. After all, they had a committee that toured the whole province and said, "You shouldn't have open Sundays and you shouldn't return the authority to the municipalities." Then they bring in the legislation to do exactly what the committee recommended against.

That group over there really operates by logic, does it not? It is the logic of a professor who was speaking to students at a university. He spoke to them for two hours on the subject of logic. He said: "I want to find out how well you understood the points I was making. I'm going to pose a question. The question is this: If Canada is bounded on the north by the Arctic, on the south by the United States, on the west by the Pacific and on the east by the Atlantic, how old am I?"

The students looked at each other and did this sort of thing, and finally one student got up and said: "I know. You're 44." The professor said: "That is correct. Now I want you to tell me how you arrived at that." The student said: "Well, it's this way. I've got a brother at home who's 22 and he's only half nuts."

That is the kind of logic those people use. That is the kind of logic they use on the open Sundays. That is the kind of logic they use on auto insurance. This bill we have before us is contrary—

Interjections.

Mr. Swart: I always listen to what the member for Essex-Kent (Mr. McGuigan) says because he speaks so seldom.

Mr. McGuigan: The student was correct.

Mr. Swart: Yes, he was. I am correct, too, I tell you; that is the kind of logic they use over on that side.

Mr. South: Are you 44, Mel?

Mr. Swart: Even though the member puts that as an insult, at my age I consider it a compliment.

The Liberals bring in a bill that they have fought against in this House for years. They bring in a bill that the commission they hired and paid

for—I do not know how much it cost; I bet it cost \$1 million—recommended against and they bring in a bill that is contrary to their own philosophy.

I have heard the Treasurer rise in the last two years and say such things as, “We should control the price of gasoline,” and the member for Wilson Heights (Mr. Kwinter) when he was Minister of Consumer and Corporate Relations said: “We should put some controls on the price of milk.” Since there are hardly any dairies left to process milk any more, there is no competition.” But it is: “Oh, no, let the competitive system work. Yes, let’s let the marketplace work.”

Hon. R. F. Nixon: Milk. You have to be wrong. We have total control of the price of milk.

Mr. Swart: The minister has to be wrong. He cannot even keep a straight face when he says that. He knows the arguments that were put forward.

We have this bill before us now which is contrary to the philosophy and contrary to all the recommendations.

Mr. R. F. Johnston: That is why it is here.

Mr. Swart: That is why it is here. The member is exactly right.

I want to say, and say very seriously, that there was no sincerity and there is no sincerity in this rate review bill about doing anything to solve the auto insurance problems for the motorists of this province.

The Liberals do not believe it themselves. All of them could not have been so wrong for so long. It is possible for Liberals to be, but it is not likely that they were wrong that long. They do not believe this is the answer. They do not believe in this, but of course it was a political decision. The April 23 statement was election posturing and nothing more. I have to admit that it really was well done, in fact exactly as Coutts had recommended just four days before it was released by the minister as though it was something original. It was original in terms of what they have been saying over the years, that is for sure.

Let us realize that this is just a political document and nothing to do with the real world. They divided it into two bills. The first bill was a capping bill and they introduced that early—I say early, but it was the middle of May—to provide caps as of April 23. Nobody understood it. The first news reports that came out on it said they were freezing rates. Then two or three days later the news media found out that the rates were going to increase because they were allowed to put on any increases they felt had been warranted up until April 23.

They brought in that bill separately because it provided that there would be rebates to about 300,000 motorists in this province, including the taxis, and if they could get that through and pay out that money, that would be a pretty good bribe, a pretty smart move. Some of them would tell their friends and so on. They could get that money back out to them when they had paid too much.

They brought in that bill first, then this next bill, the one they have now retabled, and they have incorporated the other one into it. Even if they did not know at the time they introduced it, the capping bill is incorporated into this one. They could bring that in the last day of the session—pretty coincidentally, of course—with a great statement saying, “We are going to cap the rates for the people of this province.” Boy, oh boy, what nice political manoeuvres. It was really well done.

Of course, those rebates did not really amount to very much. We checked the three main companies just recently and the average rebate to good young male drivers and to the taxis amounted to \$52. The whole manoeuvre is pretty good; pretty cheap though, I think. They must think the people of this province are pretty cheap if they will sell their vote for \$52.

Hon. R. F. Nixon: That’s a pretty significant rebate. Only a socialist would sniff at \$52.

Mr. R. F. Johnston: Tell him about the rates.

Mr. Swart: That might be wise. I thought since the first day the minister tabled the bill he would have done some studying about auto insurance but maybe that is too much to assume. I should tell him that the average rate for those young drivers who got the rebate was between \$2,000 and \$3,000 and the average rate for the taxis was between \$5,000 and \$9,000, so they got a \$52 rebate. But it was a good election plan.

1750

An hon. member: A buck a week.

Mr. Swart: Yes, a buck a week. It was really good election planning to put a little bit of money in the pockets of 300,000 people.

Now, we did not go along with that, as the minister stated. We did not go along with that in May. We said: “Look, if you are going to put a cap on, let us make it real. With the profits that the insurance companies had—which, by the time we dealt with this bill, were up 52 per cent in the first three months over what they had been last year; insurance companies that are going to make this year \$1.5 billion—by God, we are going to have a cap that is meaningful.” We said that is

going to go out to committee, where we are going to move that it be a real freeze, that in fact nobody will pay more than he did last year for his insurance.

Of course, there was no time, so it died in Orders and Notices. But of course, this nice, cosy relationship with the insurance companies, and both they and the Liberals having so much at stake in this election, they gave most of those rebates anyhow. So they have got it and they do not need to feel too bad about that strategy that we did not go along with it. Those people got the rebates, and theoretically, perhaps, the members opposite got some of the benefits. Of course, the collusion and the joint campaign of the Liberals and the insurance companies went much further than that during this last election campaign.

An hon. member: Did you say "collusion"?

Mr. Swart: That is what I said.

I have here the Insurance Brokers Association of Ontario bulletin, in which they tell us what they are doing. It says:

"IBAO hosted caucus dinners for the Ontario Liberals and the Ontario Progressive Conservatives. The insurance industry established an election campaign organization in which a representative will provide...information to all candidates in each riding." I do not think we really got any of it; I do not recall that.

"Constant communications have been established between IBAO and all Ontario MPPs, Liberal and Conservative, whereby press clippings, press releases and other information are passed along." Of course, I would remind members again of their complimentary remarks, that in fact members used all of this and even mentioned it here in the House.

Then this: "IBC has started a multimillion-dollar advertising campaign using television and the printed media...."

An hon. member: Who paid for that?

Mr. Swart: Yes, who paid for that? We know who paid for that. The motorists of this province paid for that.

And then: "IBAO"—that is the Insurance Brokers Association of Ontario—"is conducting a second annual fund-raising drive, a political action fund." That is what they are doing.

It is rather interesting, too, that in their next newsletter they made these comments last spring: "To a great degree, both the Liberals and Conservatives have been defenders of the industry. They often cited that for every dollar that the companies collected in premiums, \$1.39 was paid out in claims costs."

It seems to me I read that in here a bit earlier. It seems to me that came from the minister's statement in the House. I kind of remember that:

"The industry adopted some strategies to counteract the New Democratic Party attack. Brokers accepted commission caps on Facility Association business, and the companies agreed to relax their underwriting rules" until the election was over—no, those last four words are not there, but they are implied—"to accommodate greater numbers of drivers in the regular market."

"In fact, everything was working well, and many observers felt that the industry could withstand the NDP pressure. Then the roof caved in. Stats Canada reported that the property-casualty insurance industry as a whole recorded a \$1-billion profit in 1986 and that this profit was significantly greater than the profit that had been recorded for 1985. Why, asked the NDP, should consumers pay higher auto insurance premiums in Ontario when insurance companies had made such a huge profit? The explanation of the Ontario automobile results, and the government's defence thereof, was beginning to fall on deaf ears."

Of course, then they stepped up their campaign and got all those pig ads in there and all that sort of thing. I want to read two documents, though, because they are even more indicative of this nice, close, cosy relationship. After I read them, it will probably be time to adjourn the debate.

This is a letter which was sent out on August 14—and I ask the member for Niagara Falls (Mr. Kerrio) to listen to it—to all Ontario region members of the Canadian Independent Adjusters' Association. This is what they say. I am reading practically all except the introductory sentence and the final sentence.

"You are strongly urged to consider supporting the candidate running against the NDP candidate who has the best possibility of defeating the NDP candidate. The Insurance Brokers Association of Ontario, IBAO, has formed a network of their members to work in the various ridings throughout the province. You are urged to contact a broker in your area to obtain the name of the captain, if you do not know this already, and work in conjunction with this captain."

"Assistance could be given to any press releases which may be made and also to attend any all-candidates meeting to illustrate the inequities of a government-run insurance system. Information to support your position can be obtained from Mr. Ken Martin at IBAO"—

independent information, of course; neutral information—"on Eglinton Avenue in Toronto. You are urged to request this information to support your case. This information should also be delivered to the local Liberal and Tory riding offices in order that they have ammunition to combat the NDP allegations."

And boy, was it ever done. When I went around this province, I heard exactly the same lies from the Liberal candidates in every riding that I went into; exactly the same lies. Get this one too: "The consensus has been that if the insurance is not being discussed in your riding, don't stir the pot. Have the information which is available ready in event it does become an issue, and at that point the issue can be debated."

Then I have this great document here, which was sent out to every insurance broker in Ontario:

"Insurance Political Action Campaign:

"This is a critical time for auto insurance in Ontario. One party, the New Democrats, has made abundantly clear that, if elected, it would introduce a government monopoly program for automobile insurance. The insurance political action committee is organizing action groups for each of the ridings across the province."

Some of those insurance people—yes, in fact, some of the government's own members, Liberal members—think there is a matter of decency and some of this stuff has been a bit underhanded, so we get copies of everything that goes out. It is no secret what they are doing.

"Riding captains have been selected and are setting up their organization for an election and beyond. You are invited to be a part of the industry's positive action program. Complete the questionnaire and send it to your co-ordinator."

Here is what they may sign and fill in. It says, "I would like to become involved in the industry campaign by:

"Working on a telephone bank;

"Canvassing my area door to door;

"Acting as an area canvass organizer;

"I would like to help any way I can and I can contribute a fair amount of time."

I wonder if anybody in this province still really believes that this Liberal government is not in the pocket of the insurance companies. I do not think there is anybody.

On motion by Mr. Swart, the debate was adjourned.

The House adjourned at 5:59 p.m.

ALPHABETICAL LIST OF MEMBERS*

(130 seats)

First Session, 34th Parliament

Lieutenant Governor: Hon. Lincoln M. Alexander, PC, QC

Adams, Peter (Peterborough L)
 Allen, Richard (Hamilton West NDP)
 Ballinger, William G. (Durham-York L)
 Beer, Charles (York North L)
 Black, Kenneth H. (Muskoka-Georgian Bay L)
 Bossy, Maurice L. (Chatham-Kent L)
Bradley, Hon. James J., Minister of the Environment (St. Catharines L)
 Brandt, Andrew S. (Sarnia PC)
 Breaugh, Michael J. (Oshawa NDP)
 Brown, Michael A. (Algoma-Manitoulin L)
 Bryden, Marion (Beaches-Woodbine NDP)
 Callahan, Robert V. (Brampton South L)
 Campbell, Sterling (Sudbury L)
Caplan, Hon. Elinor, Minister of Health (Oriole L)
 Carrothers, Douglas A. (Oakville South L)
 Charlton, Brian A. (Hamilton Mountain NDP)
 Chiarelli, Robert (Ottawa West L)
 Cleary, John C. (Cornwall L)
 Collins, Shirley (Wentworth East L)
Conway, Hon. Sean G., Minister of Mines (Renfrew North L)
 Cooke, David R. (Kitchener L)
 Cooke, David S. (Windsor-Riverside NDP)
 Cordiano, Joseph (Lawrence L)
 Cousens, W. Donald (Markham PC)
 Cureatz, Sam L. (Durham East PC)
Curling, Hon. Alvin, Minister of Skills Development (Scarborough North L)
 Daigeler, Hans (Nepean L)
 Dietsch, Michael M. (St. Catharines-Brock L)
Eakins, Hon. John F., Minister of Municipal Affairs (Victoria-Haliburton L)
Edighoffer, Hon. Hugh A., Speaker (Perth L)
 Elliot, R. Walter (Halton North L)
Elston, Hon. Murray J., Chairman of the Management Board of Cabinet (Bruce L)
 Epp, Herbert A. (Waterloo North L)
 Eves, Ernie L. (Parry Sound PC)
 Farnan, Michael (Cambridge NDP)
 Faubert, Frank (Scarborough-Ellesmere L)
 Fawcett, Joan M. (Northumberland L)
 Ferraro, Rick E. (Guelph L)
 Fleet, David (High Park-Swansea L)
Fontaine, Hon. René, Minister of Northern Development (Cochrane North L)

Fulton, Hon. Ed, Minister of Transportation (Scarborough East L)
 Furlong, Allan W. (Durham Centre L)
Grandmaître, Hon. Bernard C., Minister of Revenue (Ottawa East L)
 Grier, Ruth A. (Etobicoke-Lakeshore NDP)
 Haggerty, Ray (Niagara South L)
 Hampton, Howard (Rainy River NDP)
 Harris, Michael D. (Nipissing PC)
 Hart, Christine E. (York East L)
 Henderson, D. James (Etobicoke-Humber L)
Hošek, Hon. Chaviva, Minister of Housing (Oakwood L)
 Jackson, Cameron (Burlington South PC)
 Johnson, Jack (Wellington PC)
 Johnston, Richard F. (Scarborough West NDP)
 Kanter, Ron (St. Andrew-St. Patrick L)
Kerrio, Hon. Vincent G., Minister of Natural Resources (Niagara Falls L)
 Keyes, Kenneth A. (Kingston and The Islands L)
 Kozyra, Taras B. (Port Arthur L)
Kwinter, Hon. Monte, Minister of Industry, Trade and Technology (Wilson Heights L)
 Laughren, Floyd (Nickel Belt NDP)
 LeBourdais, Linda (Etobicoke West L)
 Leone, Laureano (Downsview L)
 Lipsett, Ron (Grey L)
 Lupusella, Tony (Dovercourt L)
 MacDonald, Keith (Prince Edward-Lennox L)
 Mackenzie, Bob (Hamilton East NDP)
 Mahoney, Steven W. (Mississauga West L)
Mancini, Hon. Remo, Minister without Portfolio (Essex South L)
 Marland, Margaret (Mississauga South PC)
 Martel, Shelley (Sudbury East NDP)
 Matrundola, Gino (Willowdale L)
 McCague, George R. (Simcoe West PC)
 McClelland, Carman (Brampton North L)
 McGuigan, James F. (Essex-Kent L)
 McGuinty, Dalton J. (Ottawa South L)
 McLean, Allan K. (Simcoe East PC)
McLeod, Hon. Lyn, Minister of Colleges and Universities (Fort William L)
 Miclash, Frank (Kenora L)
 Miller, Gordon I. (Norfolk L)
 Morin, Gilles E. (Carleton East L)
 Morin-Strom, Karl E. (Sault Ste. Marie NDP)

Munro, Hon. Lily O., Minister of Culture and Communications (Hamilton Centre L)
 Neumann, David E. (Brantford L)
 Nicholas, Cindy (Scarborough Centre L)
 Nixon, J. Bradford (York Mills L)
Nixon, Hon. Robert F., Deputy Premier, Treasurer of Ontario and Minister of Economics and Minister of Financial Institutions (Brant-Haldimand L)
 Offer, Steven (Mississauga North L)
O'Neil, Hon. Hugh P., Minister of Tourism and Recreation (Quinte L)
 O'Neill, Yvonne (Ottawa-Rideau L)
 Owen, Bruce (Simcoe Centre L)
Patten, Hon. Richard, Minister of Government Services (Ottawa Centre L)
 Pelissero, Harry E. (Lincoln L)
Peterson, Hon. David R., Premier and President of the Council and Minister of Intergovernmental Affairs (London Centre L)
 Philip, Ed (Etobicoke-Rexdale NDP)
Phillips, Hon. Gerry, Minister of Citizenship (Scarborough-Agincourt L)
 Poirier, Jean, Deputy Speaker and Chairman of the Committees of the Whole House (Prescott and Russell L)
 Pollock, Jim (Hastings-Peterborough PC)
 Polsinelli, Claudio (Yorkview L)
 Poole, Dianne (Eglinton L)
 Pope, Alan W. (Cochrane South PC)
 Pouliot, Gilles (Lake Nipigon NDP)
 Rae, Bob (York South NDP)
Ramsay, Hon. David, Minister of Correctional Services (Timiskaming L)
 Ray, Michael C. (Windsor-Walkerville L)
 Reville, David (Riverdale NDP)
 Reyecraft, Douglas R. (Middlesex L)
Riddell, Hon. Jack, Minister of Agriculture and Food (Huron L)
 Roberts, Marietta L. D., Deputy Chairman of the Committees of the Whole House (Elgin L)

Runciman, Robert W. (Leeds-Grenville PC)
 Ruprecht, Tony (Parkdale L)
Scott, Hon. Ian G., Attorney General (St. George-St. David L)
 Smith, David W. (Lambton L)
Smith, Hon. E. Joan, Solicitor General (London South L)
 Sola, John (Mississauga East L)
Sorbara, Hon. Gregory S., Minister of Labour (York Centre L)
 South, Larry (Frontenac-Addington L)
 Sterling, Norman W. (Carleton PC)
 Stoner, Norah (Durham West L)
 Sullivan, Barbara (Halton Centre L)
 Swart, Mel (Welland-Thorold NDP)
Sweeney, Hon. John, Minister of Community and Social Services (Kitchener-Wilmot L)
 Tatham, Charlie (Oxford L)
 Van Horne, Ronald G. (London North L)
 Velshi, Murad (Don Mills L)
 Villeneuve, Noble (Stormont, Dundas and Glengarry PC)
Ward, Hon. Christopher C., Minister of Education (Wentworth North L)
 Wildman, Bud (Algoma NDP)
Wilson, Hon. Mavis, Minister without Portfolio (Dufferin-Peel L)
 Wiseman, Douglas J. (Lanark-Renfrew PC)
Wong, Hon. Robert C., Minister of Energy (Fort York L)
Wrye, Hon. William, Minister of Consumer and Commercial Relations (Windsor-Sandwich L)

*The alphabetical list of members appears in each issue. Lists of the members of the executive council, parliamentary assistants and members of committees, brought up to date as necessary, are published in Hansard in the first and last issues of each session and on the first sitting day of each month.

CONTENTS

Wednesday, December 2, 1987

Members' statements

Retail store hours, Mr. Reville	757
Rental accommodation, Mr. Cousens	757
Alcohol and drug addiction, Mr. McClelland	757
University funding, Mr. R. F. Johnston	758
Government policies, Mr. Harris	758
Robert Bechard, Mr. Elliot	758
McLaughlin Gallery, Mr. Breaugh	758

Statements by the ministry

Retail store hours, Hon. Mr. Sorbara	760
Recycling, Hon. Mr. Bradley	760

Responses

Recycling, Mrs. Grier	761
Retail store hours, Mr. B. Rae	761
Recycling, Mrs. Marland	762
Retail store hours, Mr. Harris	762

Oral questions

Retail store hours, Mr. B. Rae, Hon. Mr. Sorbara	763
Automobile insurance, Mr. B. Rae, Hon. R. F. Nixon	764
Retail store hours, Mr. Brandt, Hon. Mrs. Smith, Mr. Runciman	765
Pupil-teacher ratio, Mr. R. F. Johnston, Hon. Mr. Ward	767
Retail store hours, Mr. J. M. Johnson, Hon. Mrs. Smith, Mr. Villeneuve	768
Ontario home renewal program for disabled persons, Mr. Neumann, Hon. Mr. Mancini	768
Water pipeline, Mrs. Grier, Hon. Mr. Bradley	769
Retail store hours, Mr. Harris, Hon. Mrs. Smith	770
Multiculturalism, Mr. Daigeler, Hon. Mr. Phillips	771
Retail store hours, Mr. Wildman, Hon. Mrs. Smith	771
Ontario student assistance program, Mr. Jackson, Hon. Mrs. McLeod	772
Pollution control, Mr. Chiarelli, Hon. Mr. Bradley	772
Municipal elections, Mr. Breaugh, Hon. Mr. Eakins	773
Retail store hours, Mr. Harris, Hon. Mrs. Smith	773

Petition

Transit services, Ms. Bryden, tabled	773
--	-----

Report by committee

Standing committee on regulations and private bills, Mr. Fleet, agreed to	774
---	-----

First readings

Employment Standards Amendment Act, Bill 51, Hon. Mr. Sorbara, agreed to	774
Consumer Reporting Amendment Act, Bill 52, Hon. Mr. Wrye, agreed to	774
Crown Witness Protection Act, Bill 53, Mr. Runciman, agreed to	774

Second readings/Deuxième lecture

Members' Conflict of Interest Act , Bill 1, Hon. Mr. Scott, Mr. Fleet, Mr. Tatham, Mr. Sterling, Mr. Callahan, Mr. Elliot, Mr. Harris, Mr. J. M. Johnson, Mr. Villeneuve, Mr. Cousens, Mr. Offer, agreed to	774
Loi sur les conflits d'intérêts des membres de l'Assemblée , loi 1, l'hon. M. Scott, M. Fleet, M. Tatham, M. Sterling, M. Callahan, M. Elliot, M. Harris, M. J. M. Johnson, M. Villeneuve, M. Cousens, M. Offer, adoptée	774
Ontario Automobile Insurance Board Act , Bill 2, Hon. R. F. Nixon, Mr. Swart, adjourned	789

Other business

Punch Imlach , Miss Nicholas, Mr. Breaugh, Mr. McLean	759
Visitor , Mr. Speaker	767
Adjournment	801
Alphabetical list of members	802



CA 201
X1
-D23

Publications

No. 17

Hansard

Official Report of Debates

Legislative Assembly of Ontario

First Session, 34th Parliament

Thursday, December 3, 1987

Speaker: Honourable Hugh A. Edighoffer
Clerk of the House: Claude L. DesRosiers



Published by the Legislative Assembly of Ontario
Editor of Debates: Peter Brannan

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of members of the Legislative Assembly of Ontario.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$16.00 per session, from: Sessional Subscription Service, Information Services Branch, Ministry of Government Services, 5th Floor, 880 Bay Street, Toronto, M7A 1N8. Phone (416) 965-2238.

LEGISLATIVE ASSEMBLY OF ONTARIO

Thursday, December 3, 1987

The House met at 10 a.m.

Prayers.

ORDERS OF THE DAY

PRIVATE MEMBERS' PUBLIC BUSINESS

TOURISM ADVISORY BOARD ACT

Mr. McLean moved second reading of Bill 24, An Act to establish a Tourism Advisory Board.

The Deputy Speaker: I would like to advise you, sir, that you have 20 minutes and you may reserve any amount of that time afterwards for windup.

Mr. McLean: An Act to establish a Tourism Advisory Board:

"1. In this act, 'board' means the Tourism Advisory Board established under section 2; 'prescribed' means prescribed by regulations.

"2. There is hereby established a board to be known as the Tourism Advisory Board.

"3. The board is composed of not less than 12 members representing industry, labour and government in the prescribed proportion.

"4. The members of the board shall be appointed in the prescribed manner and serve for the prescribed term of office.

"5. The board shall serve as a permanent advisory body to the government on matters concerning tourism and hospitality in the province."

Just by way of introduction, I wanted to read that into the record so that people will be aware of some of the terms of reference.

I am pleased to have this opportunity to speak about Bill 24, An Act to establish a Tourism Advisory Board in Ontario. Under Bill 24, which received first reading in this Legislature on November 18, I am recommending the Tourism Advisory Board be set up with at least 12 members representing a cross-section of industry, labour and government. This would be a permanent advisory body to the government on matters concerning and related to the tourism and hospitality industry in this province.

It is quite clear to me that the Ontario tourism and hospitality industry can generate unparalleled economic and employment opportunities, substantially reduce our provincial travel deficit and attract our rightful share of world travel and

tourism revenues. To do that, the industry relies heavily on the provincial government through the Ministry of Tourism and Recreation to generate creative, innovative and sensible public policies and financial stimuli.

In order to do this job effectively and efficiently, this government should and must rely on input from the experts. In this case, those experts can be found in the tourism and hospitality industry itself. According to Statistics Canada, in a comprehensive paper titled Ontario Study of the Service Sector which was released in 1986, the service sector in which the tourism and hospitality industry was the leading mainstay now accounts for 73 per cent of employment, 70.2 per cent of gross domestic product and an estimated 80 per cent of all new jobs that will be created in the next decade.

However, the Ontario Ministry of Tourism and Recreation lacks the human and financial resources to adequately serve the needs of the tourism and hospitality industry. By establishing the Tourism Advisory Board, the ministry would be in a better position to ensure that this industry remains vital by relying on suggestions from experts in the field.

We were all grateful to hear recently that visits to Ontario by overseas travellers rose 30 per cent this year. Approximately 839,000 overseas tourists visited Ontario between January and July of this year compared with 646,000 during the same period in 1986. That increase followed closely on the heels of a 24 per cent rise in overseas visitors to Ontario in 1986 over 1985.

This certainly proves to me that Ontario is considered to be a great place to visit, with its many first-class, world-class attractions. More tourists from south of the border are discovering Ontario. Approximately 14.5 million Americans visited our province during the first seven months of this year compared with 13.8 million during the same period in 1986, which is an increase of 3.5 per cent. I am sure they are not coming here to buy cheaper gas.

Granted, many of the increased visits to Ontario are due in part to strengthening overseas currencies and economies. Much of it is also due to provincial government promotional campaigns featuring Ontario as an ideal place for

tourism. I would hope and expect that these promotions will continue, but I fear that we will not be able to expect 20 or 30 per cent increases in the number of visitors to Ontario if we do not look for input from the tourism and hospitality industry. For an industry as vital to this province's economy as tourism, this government should rely on the services of the Tourism Advisory Board, which could be used in a variety of ways, including researching, marketing and developing this environmentally clean and renewable resource.

It could very well come up with innovative and creative methods for working with all the government ministries in developing programs and policies aimed at strengthening and expanding the tourism and hospitality industry. The tourism industry is subjected to a growing number of legislative provincial acts, regulations, controls, taxes, licences, levies, fees, tariffs and assessments, some of which discourage investment and enterprise and some of which are counterproductive. This is another area the Tourism Advisory Board could look into and recommend which measures could be dropped, which could be combined and which should be maintained. The Tourism Advisory Board would not come up with silly or trivial ideas because its membership would include representatives from the industry and they would not put forward recommendations that would end up hurting themselves.

The members can be assured that this board's activities would be monitored right from the very first day it is established because my bill recommends that its membership include government representatives. It is clear that effective tourism policy can only be developed with increased private sector involvement. This industry is on the front lines and its experts should be called upon to help government develop an effective tourism policy.

What else could the Tourism Advisory Board do for the tourism and hospitality industry? We all recognize the need to take some immediate short-term actions to halt the erosion of foreign market share that is currently taking place. The Tourism Advisory Board could take an in-depth look at the industry to see what things could be done right now in developing and promoting Ontario and identifying areas of opportunity with strong potential for future growth.

1010

The Tourism Advisory Board would provide the provincial government with firsthand accounts and information on what the people in

the industry felt, what they see as problems and where they see opportunities, big or small, for improving the picture of the tourism sector. This board could review and recommend new policies and programs for improved rest stops and travel information centres to enhance highway travel in Ontario and it would ensure that our tourism and hospitality associations have their views adequately reflected. We need a long-term tourism strategy for this province.

In the area of how the Tourism Advisory Board could work with other government ministries to benefit the tourism and hospitality industry, we could look at the Ministry of Natural Resources. All provincial natural resources including land, mining, forestry, water, fish and wildlife management, and assessment and planning programs must recognize the important and productive role the Ontario tourism industry plays as a vital partner in these processes. After all, if we have spoiled or depleted natural resources, then it logically follows that we will have reduced tourism. No natural resources means no tourism; it is as simple as that.

The Tourism Advisory Board may think of natural resources that need protection, maybe even before they come to the attention of the Ministry of Natural Resources. Tourism is where many of our natural resources are. They are in our tourism operators' backyards and they are certainly familiar with what is found in their own backyards.

These are only a few of the areas where I believe the Tourism Advisory Board could play a vital role. We would get input from industry, labour and government. What a team that makes. They would be working for a common goal. A strong, healthy and viable tourism and hospitality industry in this province of Ontario, working with both industry and labour along with input from the government, deserves to be heard when it comes to the direction of millions of dollars in government funds for the tourism and hospitality industry.

This new partnership could reflect in a truly effective marketing program to encourage domestic trade as well as continuing to promote Ontario in the international marketplace. This new partnership could develop incentives that will create jobs in the service industry through the development of new and innovative tourist attractions. This new partnership could lead to measures that eliminate, where possible, provincial government policies, rules and regulations that inhibit the development of the tourism industry.

By establishing the Tourism Advisory Board, the members of this Legislature would be reaffirming our substantial commitment to tourism and hospitality, and more important, our recognition that the real answers for long-term growth, development and success can only come from the tourism sector itself, from people who work in and operate the tourism and hospitality industry.

There cannot be sufficient focus on the value and importance of the tourism and hospitality industry in Ontario. It is the province's largest employer, the third-largest provincial industry and the second-largest provincial earner of valuable foreign exchange. More full-time and part-time professional employment is being created by the Ontario tourism and hospitality industry than by any other sector of the provincial economy.

Tourism Ontario, which is a nonprofit federation of hospitality and travel associations, strongly favours the establishment of any officially recognized senior advisory body of the Ontario government that is prepared to seriously consider and address the needs of our vital industry.

In the area of Simcoe county, we have the Huronia Tourist Association, the Georgian Lakeshore Travel Association and the chambers of commerce in the city of Orillia and in the town of Midland that work with the municipalities to attract tourism.

There was some talk some time ago that there was an idea of a Premier's council on tourism. This advisory board for which I am asking the members' approval today is on the same lines as what the Premier (Mr. Peterson) had initiated and which was talked about earlier on.

Tourism in Simcoe county is a very large resource, a substantial income. When we look at the advisory board, it could be looking at such things as farm holiday packages. When we get a group of people from different walks of life involved in an advisory board, they can bring a lot of new ideas. They can bring them to the ministry for their input, to be acted on.

It was not long ago that there was a debate in this Legislature on Bill 38 with regard to lotteries. Some 400 municipalities organized and supported a campaign to have Bill 38 withdrawn. It is important that there are people involved within the community who really get involved in the tourism industry.

What I am saying today is that second reading of this bill is very important for tourism in the whole province of Ontario. I indicated earlier

some of the figures on the number of people we have visiting Ontario. We have to sell. We have to be involved. We have to have a group of people that is doing just that.

In closing, I would like to say that I am fully confident that with the help and support of the members of this Legislature in passing Bill 24, which establishes the Tourism Advisory Board, we can help create a strong, mature and broadly based tourism and hospitality industry that is fully responsive to the needs and demands of the expanding world tourism market.

At this point, I will save the remaining time allotted to me for the end of this debate.

Mr. Wildman: I want, at the outset, to congratulate the member for Simcoe East (Mr. McLean) for bringing this bill before the House. I want to assure you, Mr. Speaker, and the other members of the assembly that my colleagues are all out at this time consulting with the tourist industry about this bill and hopefully we will be of one mind when it comes to the vote on the legislation.

I am happy to be able to participate. I want to indicate that I will support this private member's bill. I think it should be obvious to all of us that the government does in fact need advice on how to promote tourism in this province. Tourism is, as the member for Simcoe East indicated, one of the largest industries and the largest employer in this province. It would be very helpful to have a representative board that could represent various parts of the tourist industry, labour and government that could give advice to the government.

In this province the tourist industry seems to suffer from a rather strange kind of schizophrenia. On the one hand, we have the accommodation industry in the urban centres that would like to promote Ontario as a sophisticated, modern, urbane community that can provide culture and the arts as well as sporting activities and other tourist attractions. On the other hand, we have in rural, small town Ontario an emphasis on outdoor recreation as the attraction for tourism.

In the north, of course, we have emphasized in the past the wilderness experience as a way of attracting tourists to our part of the province. In fact, in northern Ontario, tourism is really one more resource-based industry. It is based on the forests, the lakes, the fish and wildlife that we have or have had in abundance in northern Ontario. We face some serious problems in that those resources are fast being depleted. Whether it be because of pollution, acid rain or just the exploitation of the resources, tourism faces a very serious problem of how to adjust to a new

circumstance of the dwindling of our wilderness. At the same time, the tourist industry seems to be attempting to attract more and more visitors from outside of Canada, not just from the United States but also from Europe and Japan.

1020

Certainly, the wilderness experience is something that seems to sell very well and has a great potential in Europe. In that continent, many of the people are very crowded together and do not have the opportunity to experience the great outdoors in the way that we do in North America. But, as I say, at the same time those resources are dwindling. I think it is something that must be studied, and the government certainly needs some advice on how to adjust in the tourist field and to promote Ontario to attract visitors and foreign capital.

One of the major problems that faces tourism in northern Ontario is the exploitation of our forestry resource. The timber companies are building more and more forest access roads throughout the wilderness. They are having to go farther and farther afield to cut timber, and that is making it very difficult for the tourist industry—the outfitters who have been dependent on a fly-in operation, outpost operations for fishing. It is making these lakes more and more accessible to the general public so that many lakes that were never fished heavily before are now experiencing a serious amount of pressure and the fishing is not what it used to be.

The Ministry of Natural Resources has a very difficult task in balancing the various demands of competing groups. The forest industry wants access to the timber; the tourist industry wants to protect isolated lakes; of course, the general public—the sports fishermen from other parts of Ontario and from our own area, and the recreationists—wants access to those lakes; and the conservationists and environmentalists would like to protect them as well.

It is very difficult to balance all of those demands and to properly manage the resource for the benefit of all those competing groups. Perhaps a tourism committee, such as is proposed in the legislation, could help in this regard. I must say though, I am not sure if the member for Simcoe East is aware that the Ministry of Tourism and Recreation is currently developing a tourism strategy for Ontario which is, I understand, going to be completed in February and published in February.

One of the proposals that has been made by the Northern Ontario Tourist Outfitters Association to the ministry in that regard is for something that

they called tourism management agreements, which are patterned after forestry management agreements. It seems the tourist industry is proposing that it be given control over areas, in terms of access.

I want to say that while I am very much in support of tourism and the need to promote our area, protect the industry and to develop that industry, I am very much opposed to this kind of feudal control of our crown resources that is being proposed. No one group, no one industry, owns our resources. They belong to the people of this province, and the Ministry of Natural Resources or the Ministry of Tourism and Recreation cannot shuck off the responsibility to a private industry to manage those resources; so I would be very much opposed to the ministry agreeing to this proposal for tourism management agreements.

I must say there are a number of other things that the government should be doing and that this board could advise on to assist the tourist industry. Number one, I think, is doing something about the crisis in liability insurance. In my area, a tourism attraction, a water slide, that was doing a very good business has been put out of business recently because of the exorbitant demands of the insurance industry for premiums that would cover it for liability. I think that is a serious problem.

Also, as has been mentioned, the gasoline prices we have in northern Ontario are certainly one of the things that make it difficult to attract more tourists from the United States. It is just unbelievable for the visitor from south of the border when he pulls up to a gas pump and finally is able to figure out the difference between metric and imperial measurement and the American gallon and how much it is costing him in Canadian dollars. That word-of-mouth description that is spread by that visitor when he returns home does not help tourism in northern Ontario.

We also have to improve our highway system in the north if we are going to be able to attract visitors who are travelling by automobile or camper. As the member for Simcoe East said, we have to improve the rest stops. I think it is most unfortunate that when a traveller from western Canada or from the western United States travels across the Manitoba border into Ontario, he or she suddenly feel as if they are returning to a bush road. Highway 17 is completely inadequate as a Trans-Canada highway. On top of that, the rest stops are so few and infrequent as to appear nonexistent in many parts of northern Ontario; and where they are they are in such poor

condition that it is a disgrace really. When one compares the rest stops in northern Ontario and across Ontario to the kinds of rest stops that one sees in the Maritime provinces and Quebec for instance, I think we all should feel ashamed.

I support this proposed legislation, but I hope that we all recognize that it probably will not be a panacea. It will not resolve all the problems. What it will do is make it possible for there to be greater input from the industry and from various elements of the industry advising the Ministry of Tourism and Recreation on tourism policy.

In conclusion, I want to say that in itself will not resolve the problem of promoting and developing tourism in this province. First of all, the Ministry of Tourism and Recreation is not one of the major ministries of this government. The minister does not have a great deal of influence in the cabinet. Until the government as a whole, the Treasurer (Mr. R. F. Nixon) and the Premier, the people who really make the decisions in the executive council, have a commitment to the development and promotion of tourism, the development of a board to advise the minister is not going to change anything. Certainly the proposal that the ministry is considering, to turn over the management of not only tourism but also the crown resources to the industry itself, I think is an abdication of its responsibility.

The government must take the responsibility to promote and develop tourism in this province and not leave it to the private sector alone, otherwise we will not be able to promote tourism as we should in this province.

Mr. Black: I am pleased that my friend, the member for Simcoe East, has proposed in a private member's bill this particular piece of legislation. It does serve to focus attention on the needs of the tourist industry in Ontario. It serves to bring to the attention of the members of this House what those needs are.

He has quite correctly identified that tourism is the province's largest employer; that the tourist industry and the hospitality industry is the second largest earner of foreign exchange in this province. It is the third largest provincial industry in this province. There are more full-time and part-time jobs in tourism and hospitality in Ontario than in any other sector.

I know the member for Simcoe East has a long-time commitment to tourism. He is generally recognized and acknowledged as a friend of the tourist industry. His intentions are good. His proposed legislation, however, in my view, is not. I would like to tell members why it is not.

My friend the member for Algoma (Mr. Wildman) has already made the statement it will not have any impact, it will not change anything. We know in the past that members of the Progressive Conservative Party have been prone to have such boards appointed. They serve as make-work programs for former MPPs and MPs and their friends, and their federal counterparts continue to use them for that purpose. That, however, is not reason enough. There are a large number of organizations in this province that provide support and that provide information and advice to the Ministry of Tourism and Recreation. We do not need another group that comes to Toronto one day a month, sits in session and then goes back to the various parts of the province.

1030

Tourism Ontario Inc., for example, which is an umbrella organization looking after the various tourist and trade associations and organizations in this province, provides a strong effective voice on behalf of tourism. The Ontario Restaurant and Foodservices Association does the same thing. Regional development councils are now providing input to the ministry on the needs of tourism. The Ontario Federation of Anglers and Hunters Inc. is another organization which does that job.

There is no need, in my view, for another advisory board. There are some needs. There are some very significant needs in tourism in this province and I would like to speak to some of them. The needs, however, are not general and they are not vague. They are specific. Tourism needs improved marketing. It needs to be sold and to be effectively sold. That marketing should be based on research. It should be based on sound planning.

We have in Ontario a number of tourism organizations which are in the marketing business. In my riding, for example, the Muskoka Tourism Marketing Agency is considered to be a model across this province for organizations which do an effective job of marketing the tourist industry. We need more help and more support for them. In this province we need effective promotion for the tourist industry. The northern Ontario tourist information centres enhancement program is an excellent example of effective promotion. Rather than spend money on another advisory committee and on bringing members from across this province to Toronto once a month to meet and accomplish very little, I would suggest the expansion of the NOTICE program would have much more impact and much more effect.

We need to have more and better rest stops across the province. We need those to include picnic areas, information centres and to provide for an upgrading of signs, buildings and grounds that surround those centres. The tourist industry needs more effective information, as do my friends across the Legislature. We need information for tourism on marketing trends. We need to be able to share that information. We need a centralized clearinghouse for the tourist industry so that information can be effectively distributed across this province.

We need a national data bank for the tourist industry. In my view, that would be a far better way to spend funds. I would suggest that if we have money to spend on tourism, let us spend it on management development. Let us take organizations such as the Canadian Tourism Management Centre at Georgian College of Applied Arts and Technology in Barrie and assist that kind of organization to provide management training for young people wanting to enter the field. Just as important—and perhaps even more important—let us provide cost-sharing programs to assist people who are presently in the tourist industry to gain the kinds of in-service training they need in order to carry on the programs that are currently in place.

Tourism needs more research and study, and I know that my friends are always supportive of this government when it talks about doing more study, but we do need more study and more research into marketing of tourism and of some of the new technologies which will become available, and are currently available, to support tourism in this province.

At a recent conference of the Tourism and Hospitality Educators Association, a paper was presented on the outlook for employment and education in tourism and hospitality. That is the kind of background paper and the kind of study paper that the tourist industry needs.

In conclusion, what the member has proposed is another piece of vague, general, nonspecific legislation. He has proposed, as has his party on many occasions before him, to put in place another advisory board when we already have many advisory boards. We do not need more vague generalities. We need specific, targeted strategies to improve. We do need action, and I am sure that this government will be providing the action. I would suggest that this bill is vague, it is unclear, it is—as my friend the member for Algoma has just so correctly pointed out—without meaning.

I find it difficult to understand how a man can on one hand say, “This bill has no meaning,” and then on the next hand say, “I will support it.” It seems to me that is typical of the opposition in this Legislature.

Although I support the concept of the promotion of tourism in this province, and I think all of us do, and all of us recognize it is important, I would be concerned if one more advisory board might be mistaken by some people to be the answer to our problems. It is not the answer to our problems. We need more specific strategies developed to aid tourism. Therefore, I cannot support this bill.

Mr. J. M. Johnson: I might start off by saying that I disagree with the member for Muskoka-Georgian Bay (Mr. Black). He is not supportive. He says we do not need another advisory board. I suggest that government needs all the advice it can get. Sunday shopping is an example.

I strongly support the member for Simcoe East and his Bill 24, An Act to establish a Tourism Advisory Board. The member mentioned that it should be composed of people from industry, labour and government. I suggest there should also be representatives from chambers of commerce, the agricultural sector, sports organizations, such as the Ontario Federation of Hunters and Anglers, and perhaps other organizations should be involved as well.

Consider the importance of sports fishing in this province. Consider the millions of dollars spent in the salmon hunt. Let us take a look at the example in Michigan where they are able to generate millions of dollars because they have been able to do something with sports fishing, other than the small effort that we put into that industry.

Representatives on this advisory board should also include people knowledgeable in recreational areas as well. Tourism is an extremely important industry and it is my understanding it will be the number one industry in this province by the end of the century. I mention the sports fishing industry as an example. If we think in terms of the people who would benefit: owners of hotels, motels, cabins, restaurants, marinas, grocery stores, gas stations, tackle shops, sports shops, and possibly even the Liquor Control Board of Ontario and the brewers retail stores, would all benefit from an increase in activity in this sector of the tourist industry.

Mr. Villeneuve: Now they will be open seven days a week.

Mr. J. M. Johnson: Yes, seven days a week. Another area of the tourist industry that does not even come close to its potential is the farm vacation program. Ontario's vacation farms program was started in 1967-68 with 24 hosts operating independently, supported by the Ontario Federation of Agriculture. That is the old organization of the member for Lincoln (Mr. Pelissero). Ten or 12 new hosts joined each year, but they also lost about the same number. In the mid-1970s the government became involved in a very limited way. The Ministry of Agriculture and Food gave some support and the Ministry of Industry and Tourism also provided some assistance, mostly in an advisory capacity. I presented a paper on the Ontario vacation farm programs in 1977. It is one of the best papers ever presented on that topic and I hope members will have an opportunity to read it.

Mr. Ballinger: Who was the government at that time?

Mr. J. M. Johnson: Read about my success. I would like to read a couple of excerpts from this paper:

"In this paper, I would like to explore one small dimension of the tourist industry that has not yet been fully developed, but which would be the type of innovative program that could serve as a model for the development of other programs of a similar nature. In my view, expansion of the Ontario vacation farms program would provide an attractive alternative form of vacationing for tourists, both from inside Ontario and from other parts of the continent and Europe. At the same time, it would provide added revenue for residents of Ontario's rural communities participating in the program."

1040

It is 17 to 18 pages long so I will just read one other excerpt. I suggested at that time that Wellington-Dufferin-Peel, which was my riding and is now called Wellington, could be a pilot project and that the government could co-ordinate efforts in that direction:

To use Wellington as an example, within a two-hour drive, 110 miles from Fergus, which is the centre of Wellington, there are about four million people living in large urban centres in Ontario, plus some 1.5 million in Buffalo. Within a 400-mile radius there are approximately 20 million people, and that does not include Chicago, Cincinnati, Philadelphia, New York or Boston, which are not far outside that range. That is a potential of 50 million people within a day's drive of Wellington who could participate in a very inexpensive vacation program.

I will not go on to mention the many reasons why Wellington should be chosen as the site for this pilot project, but most of the members know that area and would agree.

Mr. Wildman: It is mainly because you are the member.

Mr. J. M. Johnson: That is the main reason. I have researched this tourism program extensively. I have contacted the proper officials in several provinces, especially Prince Edward Island and I have also talked with people in Great Britain, especially in Wales and in England.

Working with the excellent leaders in the Ontario farm vacations program, the executive and I were able to convince the then Minister of Agriculture and Food, Dennis Timbrell, to provide some financial assistance back in the early 1980s. I would also like to give credit to the member for Victoria-Haliburton (Mr. Eakins), who was Tourism critic in those days and totally supported this program.

I wish some of the other members who have spoken today would follow his example. The farm vacations program is now on the move. In 1980, there were 22 host farms; in 1982, 44; in 1984, 61, and this year, we have 96 farmers engaged in the program. More should be done.

The program is administered by the Minister of Agriculture and Food (Mr. Riddell). I want the member for Lincoln to listen to this. Logic would dictate that it should fall under the mandate of the Ministry of Tourism and Recreation. That ministry should have the expertise to market this program to its full potential.

This is one example of where the Tourism Advisory Board could offer the government some guidance and determine which ministry is best able to assist this Ontario farm vacations program to reach its full potential. It is an outside advisory body that could make the determination that might help both ministers.

Last week I did some research on the program to see where it was at today. I would like to mention some of the highlights of that. We checked with the Ministry of Agriculture and Food in Fergus and Guelph, the chamber of commerce and the Ministry of Tourism and Recreation in Toronto. We asked if the latter had any statistics. They have no program; it is too small for their department.

Many of the people in this Legislature are likely not aware of what the farm program is, and if they are not, they should be. I would like to mention the average costs that I received from one of the top people in the program. The average cost per adult for three meals a day is \$35. For

accommodation of six days and nights and three meals a day it is \$180. For a family of two adults and two children, three meals a day for one week cost \$600.

One could spend that in a downtown hotel in one day for four people. There are many people out there who cannot afford that type of accommodation in downtown Toronto. In fact, many people in Toronto would like nothing better than to go into the rural part of this province and find out what it is all about. I think that \$600 for a family of four for all meals and accommodation is exceptionally good value.

My executive spoke to Mrs. John Gillespie from Ayr. The comments were that the OFVP very much appreciated my help. They have been hosts for several years and they feel that assistance with the accommodation guide has been extremely worth while. That is the one the Ministry of Tourism and Recreation puts out. The Ministry of Agriculture and Food puts out Ontario Farm Vacation Programs but it is only distributed in Ontario. This goes all across the country and into Europe, and they feel it is much more beneficial to the members.

Mrs. Gillespie had three or four points she wanted to suggest. The Ministry of Tourism and Recreation allowed them access to the tourist consultant from Kitchener, Stephen Pearce, and that was very helpful. If OFVP could have the public make use of the Ministry of Tourism and Recreation's 1-800 number, that would be very beneficial. If the OFVP could be listed in the accommodation seasonal guide, because some farms offer winter vacations as well, that would also be of assistance, and all guests should be requested to fill out a questionnaire.

Mr. Hampton: It is with some pleasure that I have an opportunity to speak on this bill. My constituency of Rainy River, along with the constituency of Kenora next to it, has a very large number of tourist resorts. In fact, my community, the community of Fort Frances, in the summertime becomes one of the largest ports of entry from the United States into Canada, strictly for the purposes of tourism. In the summer, it is not unusual to find American tourists lined up for three or four miles to cross the bridge to get into Canada to catch some of the fish that our area is famous for.

Similarly, the small community of Rainy River, which is located at the very western edge of the riding, up against the Manitoba border, also becomes a thriving tourist community in the summer. In fact, that community is pursuing right now with the federal government the

opportunity of having the airport on the American side of the border declared an international airport and having Canadian customs inspection available at that airport to ease the entry of American tourists.

This bill is certainly quite important for the part of Ontario that I am from. It is for that reason that I support the bill and I support the ideas that are contained within it. The establishment of the Tourism Advisory Board is important for a number of reasons.

First of all, it is very necessary, I think, to expand the vision of tourism in Ontario today. One of the things that strikes me when I watch many of the tourism ads is that more and more what is being advertised is the city of Toronto. I recognize that tourism is a very important part of the Toronto economy and I recognize that it makes a large contribution to the province, but I have to remind the House—and I think the Ministry of Tourism and Recreation needs to be reminded—of the fact that there is a very large area of Ontario which is virtually dependent upon tourism, and that large area of Ontario needs to be recognized.

The advisory board that this bill would establish would, I think, go a long way in assisting this government to realize that tourism is not just a Toronto phenomenon; it is a phenomenon that is important to a very large section of the province. More than that, the government needs, I believe, some rather specific advice on the whole issue of tourism.

I am afraid if the government does not get that advice and along the way begins to encounter the complexities of the tourism problem, this government will pull what is beginning to appear to be its favourite move, that is, it will pull its "duck and run." As I look at what is being proposed in the tourism management agreements, that is precisely what they seem to be doing, handing over responsibility for the tourism industry to the private sector and letting it be that sector's problem.

1050

Mr. Wildman: Another name for the Liberal Party: Ducks Unlimited.

Mr. Hampton: Please, that is a rather respected organization, Ducks Unlimited, and I do not know whether I want to sully its name like that.

Quite seriously, as I look at what is proposed in the tourism management agreements, I am afraid that looks very much like handing off responsibility for tourism to the private sector and saying: "You do it. We do not have any

solutions." There are some solutions and there is some good advice that can be offered to the government, and I want to deal with some of those concrete things at this time.

Distributed throughout my riding, and in fact taking up a very large part of it, is a provincial park that we should all be quite proud of, Quetico park. Quetico park has a very large wilderness area. It is known throughout the world. It is known throughout many urban areas in the United States and, in fact, many young entrepreneurs have recently come to Quetico park and are now providing a different kind of tourism. It is tourism aimed at bringing people to the park who are interested in photography; aimed at bringing people from an urban setting into the park who are interested in a wilderness experience; aimed not just at someone who wants to fish but at someone who is generally closed in by the urban experience and wants to experience wilderness in all its manifestations.

They are being successful in attracting not only people from the large urban centres in the United States but also from such faraway places as Japan, Germany and Great Britain. I would argue very strongly that the government should be looking at this kind of tourism development in the future and utilizing some of our crown land in this way. That is the kind of advice that this advisory board could provide the government. That is one concrete way.

There are several other concrete things that government could and should be looking at, and I want to mention them quickly. In my area, where we have a large number of small tourist camps, we must reach those tourist camps by means of secondary highways, but the state of secondary highways in northwestern Ontario at this time is nothing less than deplorable.

When there are four or five tourist operators phoning me in one day and saying, "I had tourists from Iowa, from Minneapolis, from Chicago who attempted to get to my tourist camp this spring and they could not make it because the road is so bad," and it is a provincial secondary highway, something has to be done. It is not the same thing as fixing up Highway 401. It is not at all the same thing. It would not involve one tenth of the expense and yet the immediate returns would be there.

The member for Algoma mentioned the issue of gasoline prices. How can this government justify gasoline prices all across northwestern and northern Ontario that are four cents a litre higher than they are in southern Ontario? They cannot justify them. It affects everything we do

in northern Ontario: transportation in and transportation out. In itself that is a factor in disillusioning tourists who want to come from the United States to experience the tourist facilities and the tourism experience that we offer in northwestern Ontario.

Let me give some other examples. If you want to cross from the United States into Canada where I live, the bridge crossing the Rainy River is owned not by the government of Ontario, not by the Canadian government, not by the state of Minnesota, not by the American government, but by the paper company. In fact, you have to drive through two paper mills to get across the border.

In its recently released reports, the Ministry of the Environment has stated that those two mills have the worst air quality of any mills in Ontario. One can see right away what the tourist is confronted with as he comes across the border hoping to do some fishing, hoping to experience some interesting wildlife and wilderness.

Mr. Black: They should come to Muskoka and Georgian Bay.

Mr. Hampton: I am afraid that is the kind of solution the government is proposing. I am afraid that is just it and that is not good enough.

There are some concrete things that can be done in terms of working with the Ministry of Transportation, with the Ministry of the Environment and with the Ministry of Natural Resources. In our part of Ontario now, many of the pulp companies cut right up to the river's edge, cut right up to the edge of the lake and, indeed, cut right up to the edge of the highway. What does that look like to a tourist who comes across the border expecting to see wilderness and all he sees for four miles along the highway is something that looks like a desert because all the trees have been cut away? That is not good tourist management.

I conclude by saying that this bill and the ideas it encompasses would do some good things for this government.

Mr. McLean: I want to compliment the member for Algoma for his support of this bill and his remarks during this debate. I also want to compliment the member for Wellington (Mr. J. M. Johnson) for his comments in support of the bill and I want to thank the member for Rainy River (Mr. Hampton) for his comments in support of the bill.

However, I am not so sure about the comments of my friend the member for Muskoka-Georgian Bay who does not support this bill and who, in my estimation, does not want to support the

future of the great tourism industry we have, promoting it—

Mr. Villeneuve: That is exactly it.

Mr. McLean: I said further promotion of it. I just hope he will reconsider and support this bill and that his party will also. There were some indications in his remarks with regard to promoting rest stops. Some three years ago during an election campaign, his leader indicated that would be one of his promises. To this day, it is still an election promise.

The other thing I want to mention is the gas prices in Ontario. Some time ago, the Treasurer brought in legislation which did away with the ad valorem tax on gasoline and made it a flat rate. At that time, he wanted 8.8 cents per litre. We, along with the New Democratic Party, had him reconsider and it ended up at 8.3 cents a litre. However, today, if the ad valorem tax were still in effect, the people of this province would be paying approximately 3.5 cents less a litre for their fuel. That is a very important item. When we look at fuel and we want to have tourists come here, the gas price is one thing that is so important.

The other aspect of the bill that I want to elaborate on just a bit is the importance of tourism in the province. Just last year, the Ojibway Indians in Rama township had a special project which was funded through the Futures program in co-operation with that community, a large tourist attraction. I think it is going to be something that will take place across the province.

I have talked to the members of the Christian Island band with regard to the development of Hope and Beckwith islands as a tourist attraction. There are many things in this province that we can deal with that would bring more tourist dollars to this province. Here we are in this area of the province supporting tourism and my colleague the member for Muskoka-Georgian Bay is not in favour of and does not want to support this bill. I find that hard to accept.

The member mentioned Georgian College. I can tell him about the tourism programs they have in Georgian College. They are excellent programs. I can also tell him about the programs at Ryerson Polytechnical Institute. They are great. He says there is no impact. What an attitude. I do not accept that. No impact with this bill? Certainly there would be impact. This advisory body would give the ministry some great advice. It is what they need.

The member talks about an extra advisory board. Over the past two years, we have seen 37

advisory boards appointed and I have not seen their reports, but I want it in a bill and I want an advisory board that is approved by all of us in this Legislature, not just by the Liberal Party.

In closing, I want to ask members for support for this bill for the betterment of tourism in the province of Ontario.

The Deputy Speaker: This concludes the debate on Mr. McLean's bill.

1100

Mr. J. M. Johnson: On a point of order, Mr. Speaker: I wonder if we could agree to go clockwise rather than counter-clockwise on all private members' bills. It really does not make much difference as long as we do the same thing every week. I would suggest that we simply rotate in a clockwise motion. It seems to me that is the way we do most of the time.

The Deputy Speaker: We have done it both ways in the past. Is it the wish of the House that we continue the clockwise rotation as usual?

Mr. Wildman: On the point of order, Mr. Speaker: While I support this bill, it is most appropriate that when the Conservatives introduce bills, we go counter-clockwise.

The Deputy Speaker: Now that the House has been very clear as to what it wants, the chair is very flexible, but I would like the House to decide. Is there a consensus to move clockwise?

Agreed to.

HERITAGE BUILDING FUND

Mr. Cleary moved resolution 6:

That, in the opinion of this House, recognizing that heritage buildings play an important role in reminding us of the dedication our forefathers had in establishing a country that differs from the United States, the government of Ontario should establish a heritage building fund to be used to maintain heritage buildings in their original state for all to enjoy and that money for the fund should be derived from the provincial lotteries.

The Deputy Speaker: The member has up to 20 minutes to make his presentation and he may reserve any portion of it for his windup.

Mr. Cleary: It is an honour for me to address this House on the matter of heritage buildings. As some members may know, I have been involved in municipal politics for many years as both reeve for the township of Cornwall and warden of the united counties of Stormont, Dundas and Glengarry.

Over those many years, one issue which continually came up for discussion was the matter of heritage buildings. To appreciate fully

why this is so, I would like to share with the members a brief history of the Cornwall area. I say "area" because from time to time I may speak about areas which are geographically outside my riding.

In 1784, the first immigrants settled in the Cornwall area. These people were United Empire Loyalists who served the British crown under General Cornwallis in the American Revolution, which had recently ended. General Cornwallis must have been quite a man, for they named the settlement in his honour. It is interesting to note that although it has often been assumed that the first settlers in Cornwall were of British origin, there were also settlers of French descent. This has led to a rich and diverse cultural heritage which Cornwall enjoys today.

The person under whose supervision pioneers located there was Sir John Johnson, who commanded the King's Royal Regiment of New York during the revolution. These first settlers, who came from the southern part of New York State, New Jersey and the Mohawk Valley decided, or had it decided for them, that they did not want to live in the United States but would prefer to live in a country under British rule. Having decided to leave the new republic and leave many of their belongings behind, they travelled north to the Ile Jésus near Montreal. It is said that some of these people lived on the island for as long as two years before locating in the Cornwall riding.

Once landed in Cornwall, they were given an allowance for land from our government and immediately started clearing forests in order to allow them to plant their crops and get on with their new lives. After all, a majority of them were farmers, and Canada at that time was an agricultural economy.

The second wave of immigrants in the area was the highland Scots in 1786. They settled primarily in Glengarry. A considerable number of them settled in the township of Cornwall along the banks of the Raisin River and formed a settlement which is known as St. Andrews West, seven miles north of Cornwall. One of these newly arrived immigrants was a gentleman by the name of Alexander Macdonald, who would later marry Nancy Macdonald. Their eldest son was Sir John Sandfield Macdonald, who would later become Ontario's first Premier.

The individuals I have spoken of chose to come to Canada and settle in Ontario. I believe they saw in the new land something which was worth the pain and effort they had to endure to

tame it for future generations. Something was better than what they had left behind.

Once established in their new homes, they were willing to defend their new lands. You bet! The War of 1812, and Congress had just declared war on Britain. I am sure most members remember their history lessons from their school days and the great battle of Crysler's Farm, where 1,300 men defended the region against an attack of between 16,000 and 18,000 men of an American army. The defeat of the Americans was decisive. They had defended what they had worked hard to build, and once the battle was over, history tells us that they beat their swords into plowshares and their spears into pruning hooks. In other words, they discarded the implements of war for those of agriculture.

Around 1870, good farm land was a scarce commodity in Quebec, and young men and women were encouraged to move west to Upper Canada. It is fortunate for us today that some decided to settle in the Cornwall riding for, as I indicated earlier, Cornwall enjoys a bicultural heritage. At the same time, Cornwall was becoming an industrial centre. Cornwall, in fact, was the early leader in the industrial development of Ontario. It had many large, modern textile plants which earned the proud title of Cornwall, the factory town.

I could talk for hours on the history of our riding, but I am sure that members can see what a historically rich riding I represent. It is because my constituency has such a rich heritage that I can see the importance of an Ontario heritage conservation program.

At this point I would like to elaborate on some of the heritage programs which are currently funded by the Ontario government. The Ministry of Culture and Communications and its agency, the Ontario Heritage Foundation, provide financial support for the preservation and restoration of provincial heritage buildings. Their grant programs encourage community involvement in architectural conservation activities and help strengthen our sense of community identification.

For example, the community facilities improvement program, known as CFIP, provides capital funding for the planning, purchase, construction, improvement and renovation of cultural facilities and for conservation of heritage buildings, including historic bridges. Preserving Ontario's Architecture, another ministry program, helps to support the efforts of municipalities and property owners to preserve our architectural heritage. Currently, funding for the govern-

ment's heritage program is awarded by the Ontario Heritage Foundation. The Ontario Heritage Foundation awards capital grants for the conservation of heritage properties when the directors of the foundation judge the properties to be of considerable architectural and historical significance.

After reviewing the current program which is made available by the Ministry of Culture and Communications, I would like to commend the minister on the marvellous job she has done in preserving Ontario's historical heritage. Her work with Ontario museums, historical societies and municipal boards is noteworthy.

1110

When I originally envisioned my resolution for a heritage building fund, I had in mind the restoration of actual buildings. I still believe that to be the case. However, let me go one step further. What is also missing is a central tourist package which focuses on the major forces that have helped to shape the history of Ontario. This package, which would be funded by proposed heritage funds, could emphasize such important themes as industry, agriculture, transportation, advances in medicine and health care and education.

As I mentioned earlier, Cornwall was an early leader in the industrial development of Ontario. Yet what does a visitor to this town learn of Cornwall riding's industrial experience? The same might be said, in a different context, for Glengarry. The Scottish pioneers came to Glengarry and carved out their homes and farms in the new land. However, from one generation to another, agricultural practices, machinery, crops and livestock changed and farmers sought to wring a living for themselves and their families from the land. Yet where can one go to see and learn about farming practices over the 19th and 20th centuries in this distinctive Scottish community?

The same observations could be made about the mining industry in northern Ontario, or lumbering in the Georgian Bay area, or even our tourism in the Thousand Islands or the Muskokas. The proposed tourist packages would outline all the museums in a particular area that specialized in such subjects as medicine, transportation, health care, industry and agriculture. Thus, the tourists who travel in our riding could pick up a package from the local tourist bureau and learn about Cornwall's rich industrial past and the Glengarry agricultural roots.

On that note, I would like to reserve the remaining time for my final remarks.

Ms. Bryden: I agree with the mover of the resolution that the preservation of Ontario's heritage buildings is a matter of great importance and I congratulate him on reminding the new Liberal government of this fact. Since he was not here last spring, he may not be aware that the Ministry of Citizenship and Culture brought out a discussion paper in April 1987 affirming its commitment to updating the Ontario Heritage Act and stating that there is indeed a provincial interest in heritage.

Since then, we have heard nothing from the ministry on this commitment, nor was there any significant increase in the allocation of money to the programs of the ministry in the May budget. It is true that the day after the budget, the then Minister of Citizenship and Culture, now Minister of Culture and Communications (Ms. Munro), announced a \$2.2-million initiative of grants and educational programs to preserve our architectural heritage. However, this was not really a new initiative but a replacement for the five-year BRIC program, which was about to run out. BRIC stands for "building rehabilitation and improvement campaign."

In her statement the day after the budget, the minister gave no indication of the time span for spending the \$2.2 million. In fact, it appears to have been just another pre-election promise, part of the \$2.5 billion of promises made by the Liberal Party during the campaign, and we have not yet heard where the money is coming from to implement them.

It is on the money question that I part company with the resolution of the member for Cornwall (Mr. Cleary). We are already financing too many essential programs through lotteries. If we add a new lottery, we are increasing the encouragement to gamble and decreasing legislative control of the allocation of funds. The proceeds of the six lotteries that we now have are presently earmarked for physical fitness, sports, recreation, cultural activities, health and environmental research and hospital capital grants.

Last year the provincial Treasurer (Mr. R. F. Nixon) tried to get his hands on all the lottery proceeds so he would have the say in where the money went. There was such an outcry from local sport, recreational and cultural organizations who depended on the lottery proceeds for their activities that he withdrew the bill. That was one time I agreed with the provincial Treasurer.

I am shocked that the member for Cornwall has so little concern for the sports, recreational and cultural programs in his own community that he is prepared to rob them of some of the lottery

proceeds which are earmarked for them. At present the Minister of Culture and Communications, her new title, is already siphoning off \$1.5 million from Lottario as part of the commitment to restore the Elgin-Winter Garden theatres. This project is estimated to cost \$19 million, of which \$11 million will come from the federal and provincial governments. It is not clear whether the Ontario government is planning a further raid on lottery proceeds to meet this ongoing commitment in the next year or two.

At any rate, the funding of anything as important as the preservation of our heritage buildings should not be left to lottery proceeds. If the government really means what it said in its April 1987 discussion paper about its interest in the field, it should put its money where its mouth is. It should give the Legislature the full opportunity to debate the allocation of funds to this important area and to see whether the allocation is adequate.

I can support the member's motion only with the caveat that if legislation is brought in to implement it, the reference to financing it from lottery proceeds would be dropped and the program would be financed as a recognized responsibility of the government through the budget.

In November 1986, the Architectural Conservancy of Toronto issued a news release on the inadequacies of the Ontario Heritage Act and recommended three significant amendments. They related to demolition stays, relief from property taxes on certain designated buildings and empowering municipalities to designate properties owned by the provincial government. Such buildings, of which the old city hall in Toronto is an example, are not subject to demolition controls and the other requirements of the act.

The conservancy contacted the Premier (Mr. Peterson) in the spring of 1985, when he was still Leader of the Opposition, to ask if he supported the above three amendments. He agreed to them all. He has had two and a half years in government to implement them, but nothing has happened. I urge the member for Cornwall to raise his concerns about heritage buildings in his own caucus and show us whether the Premier was just playing politics in 1985 or whether he and his party really believe in preserving heritage buildings and funding the work adequately.

1120

The Toronto Historical Board has done yeoman's service for the past several years in lobbying for improvements in the Ontario

Heritage Act. I congratulate it on its attempts to get better demolition controls in the Planning Act when it went through in 1983 as a new act under the preceding Progressive Conservative government.

The NDP members introduced amendments to strengthen the demolition control section but were voted down by a combination of Progressive Conservative and Liberal votes in the committee that was dealing with the clause-by-clause consideration of the bill in 1982 and 1983.

The Toronto Historical Board's managing director, Scott James, cited the provincial and federal governments as the greatest threat to Toronto's heritage buildings because most of them are owned by those governments; but they are not, as I mentioned, subject to the Heritage Act.

The bill is definitely in the Liberals' court. With its huge majority, there is nothing to inhibit action on heritage protection except a lack of will. I urge the mover of the resolution to pursue this matter very vigorously in his own caucus. I hope we will have some action this session, if possible. It is long overdue.

Mr. Villeneuve: It is indeed an honour and a pleasure to participate in the debate brought to this House as private member's notice of motion 6 by my colleague and neighbour the member for Cornwall, Cornwall township and Charlottenburgh township.

Certainly, we represent an area very steeped in history. I was pleased, as I noticed the member was the other day, at the change of command of the Stormont, Dundas and Glengarry Highlanders, and I just want to expand a bit on the history that my colleague the member for Cornwall brought forth in his preliminary debate. It has to do with a bit of history of the regiment.

In 1804—and that is not yesterday—former members of the Glengarry Fencibles of the British army who served in Europe settled behind the area already taken up by veterans of the American Revolutionary War. On July 3, 1868, the 59th Stormont and Glengarry Battalion of Infantry was authorized to be formed from six independent companies, and to this day the S, D and G Highlanders is the only regiment authorized to wear the tartan Macdonell of Glengarry, which I very proudly sport today.

I was glad to see my colleague's interest in history and heritage buildings; it is significant because in what is now part of his riding, the township of Charlottenburgh, I believe we have five or six bicentennial farms, which were recognized back in 1984 during the bicentennial

celebrations. I believe that says a great deal about the history of the area.

In eastern Ontario, we have a strong attachment to our history. The Glengarry Highland Games, for instance, held annually in my home town of Maxville, are a living reminder of the Scottish traditions and heritage in eastern Ontario. Upper Canada Village, near Morrisburg, is itself a living museum of life in the 1860s.

Even our municipalities date back a long way. For example, this year the village of Lancaster celebrated its centennial. Next year, the thriving little community of Chesterville will be celebrating its sesquicentennial, and the village of Winchester will be celebrating its centennial; so history abounds in the area that we mutually represent.

Our area farms go back a great many years, as I mentioned before. The riding which I formerly represented, including the township of Charlottenburgh, did have 50 per cent of all bicentennial farms in Ontario.

These few examples should provide an adequate reminder to this House of the importance of history and heritage in eastern Ontario and, in particular, the united counties of Stormont, Dundas and Glengarry, which includes, of course, the city of Cornwall.

Having said that, I would like to make some other points about our part of Ontario. I would like to address these particularly to the member for Cornwall.

First, I would point out that we have not shared in the economic boom experienced in our area as compared to, say, the Golden Horseshoe or the city of Toronto. We still require considerable economic expansion to reduce our unemployment rate and provide more full-time jobs.

I personally attended the Eastern Ontario Economic Outlook Conference recently held in Ottawa; and yes, many problems were brought to the fore. However, I was very disappointed to see no Liberal members, either provincially or federally, in attendance at that meeting. Ironically, when the same meeting was held in Kingston last year just prior to an event that happened on September 10, we had two cabinet ministers and a number of private members. How much difference can one year make?

We need an expansion of our tourist facilities and the means to promote these activities. Currently, tourism in S, D and G is mainly a summer activity. We should be expanding to include some winter activities, particularly in the area of Upper Canada Village.

In Cornwall and Charlottenburgh, as well as in my own riding, most of the tourist-related activities are along the St. Lawrence River—Lake St. Francis, Lake St. Lawrence and the river. On October 7, I wrote the Minister of the Environment (Mr. Bradley) on the matter of polychlorinated biphenyl pollution. I also wrote the Minister of Tourism and Recreation (Mr. O'Neil). The latter replied and stated that he agreed there was a problem; however, it was out of his jurisdiction to correct. The Minister of the Environment still has to answer. The Minister of Tourism and Recreation responded, saying that indeed it would be addressed in cabinet. I hope it is happening, I hope it has happened and I hope that corrective measures soon will be put in place.

Our agricultural sector faces low prices; very low prices, particularly for grain producers. At the same time that our farm incomes are being squeezed, the Ministry of Agriculture and Food will not allow changes in land use for people to set up small businesses compatible with the struggling farm economy. I think that is a disaster.

The average age of people in our area is going up. This problem relates to a number of issues. The first, as evident in my earlier economic argument, is that we do not have the jobs to keep our young people in the area. The second is our increasing seniors' population. We need our government here to have a look at providing seniors' accommodation in a rural setting without discriminating against senior citizens who have been frugal and who have accumulated a bit a wealth over a number of years. Furthermore, we need policies which will make it possible for seniors to qualify for such accommodation when they can no longer bear the burden of home ownership.

Compared to all these issues facing us in eastern Ontario, the need to use lottery funds to preserve heritage buildings is not a real, burning issue. However, it is an important one to the people who I represent and to the people who are represented by my colleague the member for Cornwall. At least that would be the perspective of those of us from eastern Ontario.

The major reason this new member to the Legislature brought this very important private member's bill is that he readily admits, and has already recognized, that this government is quite obviously not doing the job in preserving heritage buildings.

There is already a program in place to look after heritage buildings. It is commonly known

as Preserving Ontario's Architecture. It is a program launched on May 21, 1987, only a few months ago. The heading on the press release announcing that program was actually a bit of a joke. As the member for Cornwall probably knows, it read as follows: "Bold New Program Will Preserve Ontario's Architecture." It then went on to say that the new \$2.2-million program would preserve Ontario's "rich architectural legacy."

The joke is that this bold new program was simply a repeat of the previous government's undertaking of \$2.2 million in the building rehabilitation and improvement campaign. The minister had simply changed the name of the program, added a few details, but had not added one dollar more; and as my colleague previously mentioned, a study is still out waiting to be tabled in this Legislature.

The member for Cornwall recognized very early in the game that his government is not doing the job in the area of heritage buildings, and I commend him for that. I would suggest with great respect that the member for Cornwall also has to speak to his colleagues who are in cabinet at the decision-making level.

1130

The member for Cornwall should also be aware that a review of Ontario's heritage policy and the Ontario Heritage Act was announced in February of this year. Perhaps it would have been more appropriate for his resolution to have been introduced after the review was completed and made public. As I mentioned, we are still waiting for the results of that study.

I also suspect that the member for Cornwall is probably embarrassed by the financial statement of the Treasurer (Mr. R. F. Nixon) about two weeks ago. Members will recall that in addition to last year's windfall revenues, this year's revenues are running \$355 million ahead of budget; again, some found money for this very fortunate government. Never before in the history of this province have such huge revenues poured into provincial coffers. The Premier admits to being the luckiest Premier ever to inherit a very enviable position that occurred in spite of him.

However, even during these times of windfall revenues, those of us who have been in this House for at least two and a half years know the government does want to get more control over lottery winnings. As I sum up, I recall standing in my place in this Legislature when Bill 38 was brought forth and was not brought to fruition; under it, lottery earnings would have all gone to

the central fund of this government. In small-town Ontario, we must get our share of these lottery funds for sports facilities and heritage buildings.

Mr. Owen: First, I would like to congratulate the member for Cornwall for his election to this Legislature and also to commend him on what I believe is his maiden speech this morning.

I would also like to point out to the House that while I concur in the enthusiasm that has been shown by the member for Cornwall in his efforts for this province to preserve buildings of heritage quality, I am afraid I cannot endorse the rest of his resolution, which advises that he is proposing the setup of a new structure when we already have a structure in place that is functioning for this province.

In fact, the Ontario Heritage Foundation has been in effect for a number of years and is under a two-year review which is still in process. That two-year review, of course, is a time when there is introspection by the foundation itself as to its goals, its aims, what it is trying to do and what it has achieved. That report should be available to us some time later in 1988, and I look forward to that. As a matter of fact, having been a director of the Ontario Heritage Foundation, I welcomed the opportunity of having played a role and a part in that review program.

There has been a reference made to the community facilities improvement program. I would point out that for the fiscal period 1987-88 there will be \$6.9 million spent in that area, and that is money from lotteries. So again, I must oppose the resolution because we are already using lottery moneys in that direction. It has already been mentioned that the moneys available in the Preserving Ontario's Architecture program is in the vicinity of \$2 million, and again it is from the source of lotteries.

I would like to point out that the foundation, in its handling of heritage buildings, has learned a number of things that have to be kept in mind. First of all, they have to look to the historical and architectural qualities of the buildings that are in mind. Beyond that, they have learned that they must have a useful purpose or function for the building. To simply look at a building and say that it has something of quality is not going to maintain it or ensure its future. They have learned that in partnership with the communities, or with the families in the home or with industry if it is a commercial building, together they can work towards preserving our past in heritage buildings.

The heritage foundation has a number of obligations and committees that work underneath it. First of all, there is the historical section of the foundation, and it deals with encouraging literature and studies on various aspects of our province. In fact, members will find all across this province, in each area, that there are people who are achieving great things with regards to looking into the history and background of their own areas. For example, in my own area, Barrie is about to see, in another week, a book written by Dr. Allan Fisher, who is going to be going into the early history of Barrie and the early people who settled there and how the streets came to be named. Others have done the same in our area of Huronia, and no doubt other areas have enjoyed the same thing.

At the same time, I want to commend the encouragement of the historical and heritage associations in every one of our communities across the whole of Ontario. These are, in fact, the unsung heroes who are recognizing what is of importance to their areas in our history and our tradition. They too should be commended because most of them do this simply because they have an interest in and a passion for our past, knowing the importance it will play in our future. They do so simply because of their interest, simply because of their dedication, with no remuneration or other encouragement or benefits for themselves.

The historical section also deals with the plaquing that goes on across our province. Many of the members who have been sitting here for some time have undoubtedly attended some of these events where plaquing occurs. For every plaquing event that occurs, there is a great deal of research, there is a great deal of involvement with the community. Sometimes the province has to say unfortunately it is an event, an occurrence or a person that is of only local importance, and therefore local plaquing occurs. But when it is a plaquing which occurs from the Ontario foundation, it means it is of province-wide importance. Under the foundation, we are in the midst of updating the plaquing book for the whole province, and it should be released very shortly.

In addition to that, of course, we have the architecture committee, which deals with looking into the proposals for heritage preservation, assisting with advice from architects who are known in that field and recommending skilled people and tradespersons with expertise in that particular area. This too is an important role which has been played by the foundation.

In addition to that, of course, there is archaeology, which looks into the more distant heritage of our province. We have a trust committee under the foundation which identifies and looks after buildings that are owned by the foundation itself. In fact, the people of this province own 33 buildings, which we are administering and operating.

Last but not least, of course, there is a committee which deals with the Niagara Escarpment, because we have a natural heritage which must be preserved and looked after in this province.

I would like to point out that my experience has been that the staff at the ministry and at the foundation is dedicated; it is incredibly competent and incredibly overworked. I would like to see if maybe we can give more assistance through the ministry in that direction.

I would like to point out that all of us are able to contribute to the heritage ourselves just by looking at buildings that are proposed in our ridings. How many of the members have gone to the schools in their own communities and said, "Will you consider walking tours, taking children who are studying local history and showing them the importance and significance of buildings right in their own ridings?" How many members have done that? How many members will undertake to do that?

We are trying to encourage the people to use our museums. For example, in my riding of Simcoe Centre, we have an incredibly fine museum. Members need not visit it; they can see it on television this coming Sunday night, because that is the location of the Anne of Green Gables series and there is a sequel running on this Sunday. Members will see that we have taken a church, a school and other buildings of historical significance and brought them to our museum site.

1140

I point out that we have motor tours which identify many of these heritage buildings across the province, and with the co-operation of tourism we have shown that these are available. If members go to the tourist bureaus in their own areas, they will see pamphlets and literature trying to get people to identify more and more with regard to what is of importance to our background.

I note that my friend the member for Stormont, Dundas and Glengarry (Mr. Villeneuve) has left the chamber.

Interjection.

Mr. Owen: I am sorry. He is here; great. I note that he referred to the bicentennial of 1984. I always wondered how they ever arrived at 1984 as a bicentennial because in fact history has always taught me that it would take place in 1991.

Mr. Villeneuve: So we will celebrate it again.

Mr. Owen: So we will celebrate it again, but with a new government we will be honest and observe it on the date it should take place.

I ask that all of us concentrate on what we can do for heritage. I ask members to look at their railway stations and see what can be done there. I point out that the restoration of a building that is owned by the foundation, the Winter Garden and Elgin theatres, will be observed this coming year. It is the last and only stacked theatre left in the entire world. The restoration that is going on there is something of which we can all be proud, and I hope all members will attend the opening in 1988.

Mr. Breagh: Rushing in this morning to defend a member who is under fire from his colleagues, I have great sympathy with those dissidents who are attacked scathingly by people in their own caucus just for putting forward a simple resolution in their maiden speech. A little cheap advice from an old wart to a new member: It is OK; you will survive. Dissidents are allowed to live in these premises. It is just a painful career; that is all. These family squabbles are always ugly. Do not worry about them.

I want to tell him that I am going to support the resolution this morning, although it is a scathing commentary on the status of heritage buildings in Ontario that we have come to the point where we want to finance the restoration of our heritage from the numbers racket. That is precisely what is proposed here. The problem, of course, is that there are a lot of other people at the numbers racket trough these days, so there is not very much spillage left around the edge for heritage buildings.

One of the problems for anybody who has even the vaguest interest here, as the previous speaker mentioned, is that a lot of what is done on heritage buildings in Ontario has to do with this thing called "plaquing." You may think that has to do with dentistry; it does not. It has to do with people sitting around at meetings deciding, "This is an old building worth saving." The problem is that we have not really got it past that point. The Ontario Heritage Foundation is relatively good at putting a plaque on a building, but this does not do a whole lot for the restoration of the building. Unless it is a hell of a big plaque, it is not even

going to help keep the building up. So one of our problems is that we have got it to the point where we kind of recognize there is some of our heritage involved in the building, but we cannot do much about it.

On the positive side, there are several examples around Ontario of newly created structures at Old Fort William and at Fort Henry and at several other venues around Ontario where we have reconstructed our history. We provide excellent opportunities for young people and our citizens in general to see what Ontario was like in the old days. The tragedy, of course, is that while all this is going on, quite successfully restructuring and recreating the history of this province, where the existing history is already there we cannot seem to do very much to kind of save it.

I am reminded of some examples in my own background. In Napanee there is an old post office and the Ontario Heritage Foundation moved in to try to do something about the restoration of the old post office in Napanee. It was such a failure that the citizens in the community took it back. They kind of seized it from the Ontario Heritage Foundation and put up a huge sign saying: "Heritage Ontario, get out of town. We will do it ourselves." I think that is not nice. That is not the way it is supposed to be.

Governments are supposed to provide agencies that assist local citizens who have an interest in preserving our heritage. There should be a mechanism to fund them properly. There should be advice for them; technical advice on how to do restoration.

There are several members here who may have a conflict of interest because it is not clear in the resolution whether this is about restoring old fossils or old buildings. If it is old fossils, several will not be able to vote on the matter.

Mr. Black: They are on your left there.

Mr. Breagh: They used to be on my left, but there are so few now that they are an endangered species so we do not challenge them at all.

Mr. Villeneuve: Be nice. We are nice to you. Your health will suffer, Michael. I can tell that.

Mr. Breagh: I appreciate the concern about my personal health.

One of the problems we are going to face in the Legislature is a very serious one that those of us who have been interested in preserving the heritage of Ontario have been aware of for some time. This building, folks, is falling down. The members will notice that as soon as they leave the grand staircase and the beautiful red carpeting that is brand new and enter into the back corridors of the building. Some of the members will be in

offices where they will find that the wonderfulness of modern technology does not fit very nicely with the ancient state of this building. The members will find that we have not quite mastered plumbing, heating and lighting and things like that in this building.

Many of us are concerned that a great part of Ontario's heritage is threatened somewhat, and the best example I can think of is this building we are in today. We do not have a long-term restoration plan for the building itself. We have seen it in many other jurisdictions. Our problems are not unique. Society has generally just kind of left these older buildings, these older parts of our heritage, to kind of decline. Much of what they found as problems we find here.

One of the first problems we have in trying to preserve a building like this is that for years and years people had no interest in this and so they did a great deal of damage around the building. Members will see it all over the place. There is woodwork throughout the building, for example, that if you tried to replace it today would cost an arm and a leg. Yet people are running around stapling wires. The wire is left bare in somebody's office. Computer wires are stapled to the wall. People knock holes in the walls. There are false ceilings all over the place.

If they had to replace some of the doors around this building, members would begin to see how expensive that can be. There are some interesting examples of places in the building itself where people did try to replace doors and they found, for example, that they do not make doors such as the ones that are used in this building.

A lot of what we have to do across Ontario, in this building and elsewhere, is to provide two or three basic things, the first of which is funding. That has never been present. This motion in a way addresses itself to that. I will support the motion but I want to put this caution up: even the numbers racket in Ontario has its limits. It is not an unending source of funding and in my view this is not the best way to do this. I can think of better ways to get a commitment for long-term funding to do restoration and renovation of buildings to preserve our heritage all across Ontario than to take it out of the numbers racket. That is the first problem I have.

I do not think it should destroy anybody's ability to support this resolution, but I want to point out that there are real limits to that and that I have a real problem in basically funding projects of this nature from the lotteries. That is our first problem.

Second, as some members have alluded previously, we have kind of talked ourselves around in circles for years and years on how to go about this. The sad tragedy is that while all this discussion is under way and while everybody is writing their book on Ontario's heritage, Ontario's heritage is falling to the ground, literally. Those who are interested in preserving the buildings and the sites and that part of the very real heritage of Ontario that you can see in your own community are well aware of how difficult it is to do it. Theoretically, there are agencies charged with the responsibility of identifying, preserving and restoring Ontario's heritage across Ontario, but in practical terms they have never been able to do that and you would need a quantum leap of faith to think that if we only wait until February it will happen. I do not believe it will. I do not believe it is going to be high on this government's priority, though it ought to be.

1150

One of the things that it will have to do, whether it likes it or not, is it is going to have to do something about the building that we are now in. Gravity is going to take its course here. This building is slowly but surely falling to the ground. The roof leaks, and it is not quite exactly like the roof one has on his house. The building outside is being restored gradually and surely, but we do not really have as much technical knowledge as we should have to complete that restoration. So it is a problem that we face here in the assembly itself, and citizens' groups around Ontario face.

I support the resolution for two very simple reasons. First, the member for Cornwall had the courage to criticize his own government for its abject failure to do anything about this. He risked the condemnation of his own colleagues to put it forward, and I believe anybody who has that kind of intestinal fortitude can use my support no matter what the resolution says. He has it.

Second, I believe that this is a very serious problem that affects a number of people around Ontario who are trying very hard, under difficult conditions, to preserve our heritage. That is eminently supportable.

Mr. Speaker: I believe the member for Cornwall reserved some time. Do you wish to use up the final nine minutes?

Mr. Cleary: I would like to thank all honourable members for their input. I am not here to criticize anyone. The only thing I am here for is to try, I hope, to have some input to make things a bit better.

I have a few comments about the input from the honourable member for Beaches-Woodbine (Ms. Bryden). It was not my intention to rob any recreation program. But over the years, in municipal politics, I felt that there are special interest groups in different areas. I felt that if this was included in a lottery program that there probably would be increased sales. That was my thinking.

The honourable member for Stormont, Dundas and Glengarry made some good comments about some of the things I was going to touch on in my windup about the bicentennial farms, about Upper Canada Village, about the Glengarry Highland Games, which is a big tourist attraction in eastern Ontario. The other thing I wanted to touch on was back in the time of the Seaway, which some of the members might be familiar with. Many of our buildings from Mille Roches and Moulinette were moved to Upper Canada Village and restored in a certain area. Then we have other villages that have not had the same opportunity.

I would like to thank the honourable member for Oshawa (Mr. Breaugh) for part of his remarks. I guess he has probably left, but I hope he does not get too sympathetic with me because I think we will try to stand our own here.

I would like to thank the honourable member for Simcoe Centre (Mr. Owen) for some of his remarks as well. I know that some of the things he has mentioned are probably true.

An hon. member: Don't give him too much credit.

Mr. Cleary: I am not going to give him too much credit.

In my closing remarks I would like to say that this is something that has haunted us in eastern Ontario for a number of years. I feel very strongly that it should be closely looked at. I am very flexible on where the funding comes from.

As I said earlier, I mentioned a lottery because when one is in politics that seems to be easier than getting it out of the direct general revenue.

In closing, I would simply like to say that Ontario has a rich and diverse heritage and we, as a Legislature, should do all that we can in our power to preserve our heritage.

TOURISM ADVISORY BOARD ACT

Mr. Speaker: It is a little difficult for the Speaker at the moment. The standing orders are very clear that a vote shall be taken at 12 o'clock. Is there unanimous consent to hold the vote now?

Agreed to.

Mr. Speaker: Mr. McLean has moved second reading of Bill 24.

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Motion agreed to.

HERITAGE BUILDING FUND

Mr. Speaker: Mr. Cleary has moved resolution 6.

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Motion agreed to.

The House recessed at 12 noon.

AFTERNOON SITTING

The House resumed at 1:30 p.m.

MEMBERS' STATEMENTS

RENT REGULATION

Mr. Breaugh: I thought it would be interesting to try to follow rent review as tenants see it, particularly tenants at an apartment unit at 25 Wellesley Street East here in the city.

People in this building, because it is a post-1976 building, were hit with a 20 per cent rent hike in 1986, and they were asked for a further 20 per cent increase in 1987. They are now paying for the utilities—heat and light—that were previously paid as part of their rent.

They thought they had a rent review process in the works, but they are now beginning to see all of the loopholes that are there. They have paid the second round of rent increases up front. Many of them have left the building because the landlord is interested in turning it into an apartment hotel now. They have begun to experience the delays that are present for all tenants in Ontario under the current rent review process.

They thought the landlord had dates to meet in terms of submitting cost estimates for the rent review process. They found out the landlord can have extension after extension.

They are beginning to understand exactly what the process is all about. It is a system which is unfair to landlord and tenant alike. It results in nondecisions. It puts a heavy economic penalty on the tenants all the way through the system. It is a system that is just plain not working; 23,000 people are waiting for their applications to be heard, and none of them is getting a decision out of the process.

CREDIT UNIONS AND
CAISSES POPULAIRES

M. Villeneuve: Les députés progressistes-conservateurs de cette Assemblée législative désirent exprimer leur désaccord en ce qui concerne une injuste initiative des libéraux envers les caisses populaires de l'Ontario. En mars 1987, les «Credit» unions ont inscrit un déficit collectif net de \$85 millions. Cela représente près de 10 pour cent des actifs des «credit unions», qui sont en difficulté. Donc, ce gouvernement a proposé un plan de redressement de \$75 millions.

Au contraire, nos caisses populaires sont en bonne santé financière. Les caisses ont leur propre fonds de stabilisation, qui s'élève à \$7.5 millions, pour absorber leur déficit de \$5.3 millions. Il leur reste, donc, un surplus de \$2.2 millions en plus des réserves individuelles de \$17 millions, mais ce gouvernement a décidé d'associer ces deux groupes.

Les caisses et les «credit unions» ont tous deux exigé deux fonds séparés. Le projet de loi les reconnaît clairement comme deux groupes séparés. Ces deux groupes ont fait savoir qu'ils ne veulent ni recevoir ni obtenir cet argent.

Les membres de mon parti insistent pour que le gouvernement reconsidère ses propositions et traite les «credit unions» et les caisses populaires individuellement et séparément.

ASSISTANCE FOR PEOPLE WITH
BRAIN INJURIES

Mr. Morin: There always seems to be a segment of society that, because of a stroke of bad luck, falls between the cracks of our social system. I am referring to those people who are suffering from brain injuries. Statistics are alarming. An educated guess puts the number at 44 new cases each day. Most of them are under 30, and 80 per cent are male.

The needs of the brain-injured are considerable. Some of the difficulties involve social behaviour. They are often irritable, anxious and easily depressed; under stress they become verbally abusive.

The greatest tragedy is that once their hospital-based rehabilitation programs are over, head-injured persons and their families are left to cope alone. Many head-injured persons land up alone in psychiatric facilities and, even worse, in jail. The solution is for the province to assist in providing co-ordinated services in the community.

Presently, Canadians with severe disabilities due to brain injury look to the United States for help. These facilities offer a blend of techniques not available in Ontario.

I have cases in my constituency where families are torn apart by the stress, the mental anguish and the financial burden. On behalf of the brain-injured and their families, I ask that the Minister of Health (Mrs. Caplan) take immediate action to establish parallel facilities in Ontario and, in the short term, to allow them to go the United States for treatment and to be fully

covered by the Ontario health insurance plan so that they can get the treatment they rightly deserve.

CHILEAN WINES

Ms. Bryden: I was shocked to learn last week that the Liquor Control Board of Ontario had announced it was giving shelf space to wines from Chile. Chile is a country whose record in violating human rights is as bad or worse than the record of South Africa, but on the instructions of the government the board does not stock any products of South Africa as a protest against their human rights policies.

All members of this Legislature have recently received an information package on an international campaign to end all torture and oppression in Chile. The package came from Professor Israel Halperin at the University of Toronto. He has a worldwide support group which is publicizing shocking violations of human rights in Chile to strengthen public opinion to demand that the Universal Declaration of Human Rights be enforced in every country in the world. His documentation includes the horrifying story of Carmen Gloria Quintana, who was set on fire by Pinochet's soldiers in Chile. She survived to tell her story, amazingly.

I urge the government to ask the Liquor Control Board of Ontario to reconsider its decision to stock Chilean wines. In this way, the government will express our solidarity with the international campaign.

ALZHEIMER'S DISEASE

Mr. McLean: My statement is directed to the Minister of Community and Social Services (Mr. Sweeney). I would like to take this opportunity to remind the minister about a unique circumstance that could be used to house and treat some of the 93,000 middle-aged residents of Ontario who are afflicted by Alzheimer's disease. This is a disorder of the brain that causes loss of memory and serious mental deterioration over a period of time ranging from two to 20 years. It usually results in the death of those afflicted.

As I told this Legislature before, the riding of Simcoe East has the Huronia Regional Centre in Orillia, which has both staff and facilities that could be used to care for and treat patients suffering from Alzheimer's disease. Earlier this year, the minister announced a series of programs aimed at community living for mentally handicapped residents at facilities such as Huronia Regional Centre. Rather than losing facilities like this and shifting staff elsewhere in the

province, I urge the minister to consider retraining the staff to handle patients with Alzheimer's disease.

This is a serious affliction that is devastating not only to the victims but to their families as well, because they must travel great distances to visit their institutionalized relatives. Alzheimer's disease is not yet treatable, and a considerable amount of research is required to get to the cause of this affliction.

I urge the minister to consider using the Huronia Regional Centre for a care and treatment facility for those suffering from Alzheimer's disease. I urge the minister to establish free training programs for his staff in that area.

SIMCOE CHRISTMAS PANORAMA

Mr. Miller: I rise today to announce to the House that the annual panorama of lights in Simcoe was officially lighted at 7:30 on the evening of December 1 this year. This year marks the 30th anniversary of the month-long panorama, which annually attracts up to 500,000 visitors to the town of Simcoe. I invite all members to visit Simcoe during the month of December and to walk through the park and see the display for themselves. I am sure all members in the House join me in sending my best wishes to Simcoe for another successful year and in congratulating the chamber of commerce, the Simcoe parks department, the planning committee and all the companies and organizations which so generously donate their time and resources to this beautiful Christmas tradition.

SOCIAL ASSISTANCE

Mr. Swart: I want to direct my statement to the Minister of Community and Social Services, even though he is not in the House.

There is a very real desire, an understandable desire, on the part of people who are on family benefits to receive their cheques this month in advance of Christmas. Let me put the case for this early payment in one of my constituent's own words, who wrote to me and said:

"As you may know, I have been, and still am, on the Ontario provincial family benefits pension for a long time. I was wondering if you could try to persuade the government to send our disability pension cheques before Christmas. Every year they come too late to really do anything beneficial for Christmastime. It is hard to make ends meet any time of the year, but Christmas is the most crucial time for anyone, I am sure. There are so many things to buy and so little money to do it with."

We phoned the ministry and we got the answer that family benefits do not make their payments earlier during December in order to accommodate those people, nor do they have any intention of doing so in the future. Surely this is not the voice of a compassionate government. I ask the minister to reconsider.

1340

STATEMENTS BY THE MINISTRY

TECHNOLOGY FUND

Hon. Mr. Kwinter: In the 1986 speech from the throne, this government announced the formation of the Premier's Council and the allocation of \$1 billion to support science and technology research and development in the private sector and post-secondary institutions.

The Premier's Council and the technology fund form the cornerstone of this government's drive to develop long-term strategies for economic development in Ontario. These strategies emphasize technological advancements and research and development as a way of improving our international competitiveness. The urgent need for this country to improve its record of industrial research and development was underlined by the Premier (Mr. Peterson) at last week's first ministers' conference in Toronto.

Today I would like to inform the House of progress towards achieving the objectives of the technology fund and to announce several awards for private sector industrial research and development.

Members will recall that in June we announced the establishment of the centres of excellence with an allocation of \$200 million from the fund. I expect financial support to begin flowing to those centres on January 1, 1988.

The university research incentive fund, a component of the technology fund, has allocated \$8 million this year to encourage joint research projects between industry and universities.

The centres for entrepreneurship were announced by my colleague the Minister of Colleges and Universities (Mrs. McLeod) earlier this fall with a total allocation of about \$1 million.

Now I am pleased to announce the first three awards under the industrial research and development component of the technology fund.

The first award is to Canadian Astronautics Ltd. of Ottawa. The company will be working with Queen's and Carleton universities and the departments of the Environment, Communications and National Defence to develop a new form of radar. This radar system, when mounted

in planes, will have many applications in coastal and Arctic surveillance and the resource-mapping industries. The company has identified a considerable export market for this improved radar.

The technology fund will be contributing about \$2.5 million to the \$6.7-million project over three years.

The second award is to Sciex of Thornhill. Sciex, with scientists from the University of Toronto and Perkin-Elmer Corp., will develop new analytical instruments for measuring very small amounts of chemicals. These instruments will be used by the semiconductor, environmental, advanced materials and metals industries. Considerable export potential also exists for these products.

The technology fund will contribute about \$17 million to the \$34-million project over five years.

The third award is to American Standard of Toronto, which will work in partnership with Spar Aerospace Ltd. of Toronto, Canadian General Electric Co. Ltd. of Toronto, IBM Canada Ltd. of Markham and the universities of Toronto and Western Ontario. The company will research new computer-aided design and manufacturing processes involving pressure casting and finishing of industrial ceramics. This will enable American Standard to compete favourably with low-priced imports as well as assist valuable research on new ceramic raw materials and products. It will also lead to a diffusion of these new skills and processes into other areas of the Ontario economy.

The technology fund will be contributing about \$3.8 million over four years to the \$7.6-million project.

These projects were the subject of extensive assessment by a scientific advisory panel composed of members of the industry, labour and academic communities, as well as representatives from four ministries and the Ontario Development Corp. I would like to thank everyone for their work on these proposals.

I would also like to recognize Dr. Geraldine Kenney-Wallace, chairman of the Science Council of Canada, and Norman Kissick, president of Union Carbide Canada Ltd., who are in the members' gallery today. Dr. Kenney-Wallace headed the scientific advisory panel to the technology fund assessing these projects, and Mr. Kissick, a member of that panel, has now taken over as panel chairman. Both are members of the Premier's Council.

I would also like to recognize Dr. Mike Stott, executive vice-president of corporate develop-

ment for Canadian Astronautics; Jim Reynolds, president of Sciex; and Ron Gaughan, president of American Standard. My congratulations to them all for their excellent proposals.

This money has been committed, subject to the completion of detailed contracts between the government and the various parties. These projects will be continuously monitored and evaluated by my ministry to ensure that there is effective financial control and that the research proceeds as planned. I believe the work we have begun here today will play a valuable role in improving the skills and technology available in the Ontario economy.

But this government is doing much more than just underwriting private sector research and development with these projects. It is building another link with the academic world, research institutions and industry. History tells us that such co-operation usually results in formidable growth of technological innovation.

The contribution of more than \$24 million from the technology fund for these projects is further proof of this government's commitment to ensuring that the province remains a leader in the drive for economic success.

PREMIER'S COUNCIL ON HEALTH STRATEGY

Hon. Mr. Peterson: In the recent speech from the throne, our government announced its intention to establish the Premier's Council on Health Strategy. This afternoon I wish to inform members of the House of the membership of the new council and the mandate being given to council members.

Our government recognizes that Ontario health care now faces a number of important challenges, among them the challenge to develop appropriate services for a growing elderly population, the challenge to respond effectively to a host of new medical technologies and the challenge to create programs that sustain and promote good health.

Our government also recognizes that health relates not only to the traditional health and health care services; many economic, social and environmental programs can and do have a significant impact on the health status of our population. Our government is moving to respond to these challenges and to create a new concept for healthy public policy in this province.

The Premier's Council on Health Strategy reflects our commitment at the highest level to examine the policy options and alternatives

available to us, policies intended to improve the health and health status of all Ontarians. We will establish our priorities and build a consensus for change in partnership with the providers and recipients of health services, the various ministries of my government and the public at large.

As Premier, I will chair the council, and the Minister of Health (Ms. Caplan) will serve as vice-chairman. Council membership will include individuals with a distinguished background in government, health and related social services, the business community, labour and consumer organizations. In order to fulfil its mandate, the council is initially being asked to do the following:

To select specific goals that will improve health among Ontario residents. The council will establish targets and priorities for those goals so that we can measure and evaluate our progress towards a healthier society.

The council will recommend initiatives in public policy which are beyond the traditional jurisdictions of the health care system, but which will improve the health status of Ontario residents.

The council will identify the initiatives that emphasize health promotion, disease prevention and community alternatives to institutional care.

It will recommend new approaches in health services to promote greater personal responsibility for health, and it will develop the natural linkages between health and all related services and programs.

Finally, the council will advise and assist the Ministry of Health in the allocation of the newly created health innovation fund and it will monitor the performance of projects approved for funding.

In establishing the initial agenda of the council, the Ministry of Health will play a major role in helping to identify the specific issues that will be addressed through this collaborative approach. The Minister of Health will also take every opportunity to include greater public involvement in the ministry's own internal planning and policy development. This will ensure that the spirit of collaboration and participation is reflected at each level of our decision-making process.

I wish to express my appreciation and thanks to all council members for agreeing to participate. They understand the importance of their new responsibilities on behalf of the people of this province and have pledged to work in a spirit of co-operation and commitment.

The council members are Roy Aitken, executive vice-president of Inco.; the Honourable Jim Bradley, Minister of the Environment; Joe Brown, executive director, Kenora-Rainy River District Health Council; the Honourable Elinor Caplan, Minister of Health; John Carter, president, Greater Niagara General Hospital; James Clancy, president, Ontario Public Service Employees Union; Dr. John Dirks, dean of medicine, University of Toronto; the Honourable Murray Elston, Chairman of the Management Board of Cabinet;

1350

Peg Folsom, president, Ontario Public Health Association; Dr. Reva Gerstein, vice-chairman, board of trustees, Hospital for Sick Children; André Girard, member, Cochrane District Health Council; Fred Griffith, chief executive officer, Sault Ste. Marie and District Group Health Association; Robert Hiscock, past chairman, Ontario Hospital Association; the Honourable Chaviva Hošek, Minister of Housing;

Ronald Luciano, president and chief executive officer, Institute for the Prevention of Child Abuse; the Honourable Remo Mancini, Minister without Portfolio responsible for disabled persons; Sister Alice McEvoy, administrator, Marianhill, Pembroke; Dr. Stuart McLeod, dean, faculty of health sciences, McMaster University; Neville Nankivell, publisher and editor in chief, the Financial Post;

Anne Opzoomer, faculty of medicine, University of Ottawa; Father Sean O'Sullivan, chairman, Review of Advocacy for Vulnerable Adults; Dr. Andrew Pipe, vice-chairman, Minister's Advisory Group on Health Promotion; Dr. Naomi Rae-Grant, child and adolescent psychiatrist, Victoria Hospital, London; Eleanor Ross, president, Registered Nurses Association of Ontario; Dr. Miriam Rossi, paediatrician, Hospital for Sick Children;

Dr. Hugh Scully, president, Ontario Medical Association; Mary Shamley, chairman, Association of District Health Council Chairmen; Dr. Robert Spasoff, chairman, Panel on Health Goals for Ontario; the Honourable John Sweeney, Minister of Community and Social Services; Joan Watson, consumer advocate; and the Honourable Mavis Wilson, Minister without Portfolio responsible for senior citizens' affairs.

The first meeting of the Premier's Council on Health Strategy will be held on December 10.

COURT FACILITIES

Hon. Mr. Scott: On November 13, 1986, I made a commitment to this assembly to develop

and present a strategic plan for the construction, maintenance and repair of courthouse accommodation and facilities in Ontario. I also pledged that, when completed, our determinations and the priorities we had established would be, for the first time in the history of Ontario, a matter of public record.

Today I am pleased to advise the assembly that the analysis and consultation process is complete and that our priorities have been established.

The need for a plan and its development in consultation with courthouse users and the general public became evident to me in my first few months as Attorney General.

I had the opportunity to travel across Ontario to many, if not all of the more than 240 locations in the province where court is regularly conducted. It became clear to me that, in the past, strategies for courthouse renovation and construction had often been a function of local or political pressures and that what was clearly required was a comparison of the needs across the 49 counties and districts in Ontario, a rational attempt to prioritize those needs and a strategic plan for construction and renovation.

In my statement to the assembly last November, I outlined a number of general principles that would guide the ministry in determining our priorities for courthouse construction and renovation. I think a few of them bear repeating today.

First, facilities would be provided only in response to proven need.

Second, the assessment of need for accommodation would form a critical part of the responsibility the ministry bears for the management and administration of the court system.

Third, courtroom utilization would be maximized irrespective of the division of the court to which the facility was originally assigned.

The first step in establishing a strategic plan was to direct the staff of the ministry to prepare profile reports on the 49 counties and districts in Ontario. To prepare those reports, each county or district was visited by ministry staff, often more than once. In the course of those visits, we sought to assess and report on the existing facilities available to the Supreme, district and provincial courts, the present condition of those premises, their present utilization rates, anticipated population growth, anticipated utilization rates in the near- and mid-term and other local factors which bore on the extent to which additional facilities might be required to meet expanding needs.

In the course of preparing those reports, the ministry received much important information

and input from a wide variety of local sources to which we are grateful.

Following the completion of a profile report for each district, it was then sent to local users such as judges, bar associations, police forces, municipal authorities and a wide variety of other community groups that had expressed interest in, or that might have been expected to have an interest in, the development of the strategic plan. Comments from these groups were invited. All comments—and many, many were received—were thoroughly considered and played a significant part in the process of the development of the list.

Following a careful analysis of the response of the community groups in each of the counties and districts, and after careful review by the staff and myself, a priority list for courthouse construction and renovation was established.

There will not be time to read them, but I have listed in the statement the criteria that have been established in order to prioritize the assessment.

We have filed with this statement two lists. The first list contains major capital projects. The list sets out the 21 projects that have been assessed as the highest-priority major capital projects at the present time, each of which is estimated to cost over \$250,000. The first 10 projects are listed in order of priority. The remaining 11 are set out in alphabetical order. These 11 projects have been selected as priority projects. It would, however, be unrealistic at this time to further prioritize them.

As the first 10 projects near completion, the remaining projects will be reviewed in order to update the priority list. This ongoing review will take into account unexpected changes due to the vicissitudes of the economy, population growth and the impact of court reform. This ongoing review will not necessarily be restricted to projects on the now current list.

It must be emphasized that the implementation of each of the projects on this list will be dependent entirely upon the availability of funds. In an era where fiscal restraint and responsibility is critical, maximum utilization of physical resources will remain a requirement.

The second list sets out renovation, refurbishment and leasehold improvement plans for projects which will take place over the next four years and are expected to cost less than \$250,000 each. The order in which these projects will be completed will depend on a number of factors, including the availability of funding and current pressures in the system, as well as negotiations with landlords in the case of expiring leases.

We have attempted in this exercise, undertaken for the first time in a public way in Ontario, to recognize the need that users in each county and district in Ontario have expressed. We have attempted, again in a public way, to compare those competing needs and develop a rational priority and strategic plan. I recognize that the published results will not please everybody in the short term.

Nevertheless, I believe this process and our priority and strategic plan establish a fiscally responsible, prudent schedule for the construction, renovation and refurbishing of the province's physical system, designed in the last analysis to assure that the most pressing needs the public consultation process revealed will be addressed on a priority basis. In that way, we can most certainly ensure that the funds provided by taxpayers for courthouse facilities are employed in the best interests of the public and of the administration of justice.

UNCONDITIONAL GRANTS PROGRAM

Hon. Mr. Eakins: The Treasurer (Mr. R. F. Nixon) recently announced the 1988 overall funding increases for Ontario's municipalities, colleges and universities, hospitals and school boards.

Today I would like to announce details relating to my ministry's unconditional grants program. Unconditional grants are payments made by the Ministry of Municipal Affairs to municipalities to help offset each municipality's general operating costs. The funds are used at the discretion of each municipal council.

These payments are in addition to those made by other provincial ministries for specific services such as roads, transit, sanitary sewers, libraries and social services, to name a few.

I am making this announcement now, in keeping with this government's commitment to provide municipalities with information on transfer payments in time for them to plan their next year's budgets in an orderly manner.

The 1988 unconditional grants to municipalities will total nearly \$870 million, an increase of 5.7 per cent, or \$46.2 million over 1987. This increase is almost a full percentage point higher than the 1987 increase of 4.9 per cent. The increased funding will enable municipalities to cope with normal cost increases while holding mill rate increases to modest levels.

I will be making some adjustments to the 1988 program which will benefit all municipalities in the province.

1400

Mr. Speaker: I want to inform the minister that according to standing order 28(b), 20 minutes are allowed for ministerial statements.

Interjections.

Mr. Speaker: Are you asking for unanimous consent? Is it agreed?

Agreed to.

Hon. Mr. Eakins: They include improving the grant increases which municipalities receive through the resource equalization grant. In addition, the basis for calculating the general support grant and the northern support grant has been broadened, which will particularly benefit the more urban municipalities. These adjustments have been discussed with and endorsed by the Association of Municipalities of Ontario.

I am pleased that Doris Brick, the president of AMO and representative of the county of Peterborough, is here in the members' west gallery today. She is accompanied by Grant Hopcroft, alderman of the city of London and vice-president of AMO, and David Hipgrave, the director of the management services department of Metro Toronto.

Another important feature of particular interest to municipalities, the revenue guarantee feature, will be continued in 1988. This feature assures each municipality an increase over the previous year's grants. For 1988, the lowest grant increase which any municipality will receive will be two per cent.

This safety net provision in the program is particularly effective in assisting mainly smaller, slower-growth municipalities whose household and tax increases have not kept up with provincial averages.

Complete details of the 1988 program will be forwarded to all municipalities during the next few days.

RESPONSES

PREMIER'S COUNCIL ON HEALTH STRATEGY

Mr. Reville: I wish to respond to the announcement of the Premier (Mr. Peterson) of the membership of the Premier's Council on Health Strategy and the mandate he has given to the council.

May I say that certainly the Premier has discovered a large number of distinguished people to serve on his council, and I would like to convey our thanks to the people for being willing to serve. I can find only one defeated Liberal candidate among the membership of the council,

and that is not very many, but I do worry that eight of the—

Interjections.

Mr. Reville: I do note that the membership of the council is rather large and in that eight of the members of the council are cabinet ministers. One wonders just how much work this council is going to be able to do. It does not seem to me to be a working committee. I regret that the strategies that are known and that are constantly raised in this House are not being implemented but are continuing to be only thought about.

UNCONDITIONAL GRANTS PROGRAM

Mr. Breaugh: I want to respond to the Scrooge-like statement made by the Minister of Municipal Affairs (Mr. Eakins) today.

People are beginning to understand how the Liberal government speaks and they are beginning to understand that an almost full percentage point higher than last year is a not quite full percentage point higher. They will know that 5.7 per cent is not very much money. They will understand that that 5.7 per cent can also be translated in different ways, and for some of our municipalities it will in fact be two per cent. Even the Solicitor General (Mrs. Smith), by today, will know that there are some parts of the province where there are unorganized territories, and they will not even get a sniff at the sagging net.

TECHNOLOGY FUND

Mr. B. Rae: I just want to say in response to the statement of the Minister of Industry, Trade and Technology (Mr. Kwinter) that we are pleased, obviously, that the Premier's Council is finally making some decisions and making some investments. It is impossible for us to judge on the basis of the information which has been provided to us the relative merits or demerits of any of the proposals. I am just delighted that the investments that have been promised for so long are finally being made. This kind of state intervention, of course, is something that we have much less difficulty with than members of his own cabinet. We have the Treasurer (Mr. R. F. Nixon) in particular, whose neck I see bulging almost every day now in response to these various forms of intervention.

PREMIER'S COUNCIL ON HEALTH STRATEGY

Mr. B. Rae: I seriously say to the Treasurer (Mr. R. F. Nixon) and the government that I wish the government would look at its own structures a

bit more, both in terms of the Premier's Council on technology and in terms of the Premier's Council on Health Strategy which is being created. I would venture to suggest to the Premier (Mr. Peterson) that it is time he looked at the way in which these councils are integrated into the work of government and into the life of government.

Particularly with regard to the health council, as our critic the member for Riverdale (Mr. Reville) has already said it has a group of 30 people, I would remind them that Mr. Grossman, when he was the Minister of Health in 1982-1983, had a very similar province-wide series of forums which discussed a series of objectives—the Premier is shaking his head; I am afraid I am right—and we are really not very much further ahead than we were back in 1982 and 1983 in terms of defining the problems.

I say to the Premier I think the wiser approach would be to look at the structures of government, to look at the structures of the Ministry of Health and the Ministry of Community and Social Services, to look at the structures in terms of the ministries of state for the disabled and of senior citizens and to look to the need for some basic reorganization in the way in which government plans and provides its services to the people.

This is an issue which will not go away. The government can establish all the advisory councils it wants and, I would venture to suggest, they would come up with many of the same points of view. The point is to make sure we have the capacity in government to respond rather than simply to advise.

COURT FACILITIES

Mr. B. Rae: I think the very least the Attorney General (Mr. Scott) could have done would have been to name this courthouse project—which is sufficiently complicated that I thought perhaps his statement had been written by the Minister of Labour (Mr. Sorbara)—the Gerry McAuliffe memorial construction program. I think that is the very least he could do in this regard.

TECHNOLOGY FUND

Mr. Sterling: First of all, I would like to thank the staff of the Ministry of Industry, Trade and Technology for delivering a statement before I came here to the Legislature. It has been trying to do that in the past and I wish all ministries undertook that same kind of approach.

Second, I would like to congratulate each of the three firms that received this substantial government assistance. It is important that we do

help our high-technology industries. It is interesting to note, of course, that most of these companies, I am sure, rely on foreign markets and therefore are very much concerned with access to those foreign markets.

I would particularly like to congratulate Dr. Mike Stott, who happens to be a constituent of mine, and I would encourage him to spread the good word around the Ottawa area to any other high-tech firms.

It is kind of ironic that this government has taken two and a half years to tear down the old structures of high-technology funding. It has taken it two and a half years now to put them back in place with the son of BILD and the son of the IDEA Corp. This is the first year that this government has spent over \$2 million on high technology. It is unfortunate that it had to go through that process in order to help companies out like this.

COURT FACILITIES

Mr. Sterling: I would like to make a brief comment with regard to the Attorney General's (Mr. Scott) great announcement about prioritizing. Last November, he told us he was going to prioritize. This year, he has told us he has prioritized. He has not indicated that he is going to spend one more cent on building any justice facility in all of Ontario. One portion of his statement, which he neglected to read but which was in his written statement, said, "At this point, I should observe that the priority analysis process to which I have referred was not applied in Nipissing or Ottawa-Carleton, where new courthouses, housing all divisions of our courts, were either under construction or have just been completed."

I assume from that statement that they were not necessary in those areas. The former government did think a courthouse in Ottawa-Carleton was necessary. It did think that a courthouse was necessary in North Bay. We did not need a priority list or a long excuse for delay. We went ahead and did things. We did things when they were needed.

1410

UNCONDITIONAL GRANTS PROGRAM

Mr. McCague: I am sure the municipalities are happy with the 5.7 per cent the minister announced today. His almost one-percentage-point increase is 20 per cent short of being one per cent, as the minister might realize. On "holding mill rate increase to modest levels," his colleague the Minister of Education (Mr. Ward)

is going to make darned sure that does not happen, let me tell him, with the niggardly policies of the Treasurer (Mr. R. F. Nixon).

The other point I would like to make is that the minister's friends the Attorney General (Mr. Scott) and the Solicitor General (Mrs. Smith) are going to use up all the increase. The municipalities will have to use it up in order to settle the Sunday shopping issue.

PREMIER'S COUNCIL ON HEALTH STRATEGY

Mr. Eves: In responding to the statement by the Premier (Mr. Peterson) today with respect to his health council, I find it very difficult feeling there is going to be a great deal of work done. There are 31 members plus the Premier. By the time they get around to their introductions on December 10 it will probably be time to adjourn.

I am happy to see they are finally going to think about priorities in the health care system. They have been the government for two and a half years. I would think that by now they would know something about the health care system and its needs in Ontario.

If the previous Minister of Health had followed up on some of his commissions, committees and advisory groups, maybe we would be a lot further down the road. I note he is a member, along with six other cabinet colleagues. I wonder if cabinet ministers over there ever speak to each other. Maybe this is a good idea for seven of them to get together. Three of them sit right in the front row here. You would think they would talk about these things from time to time.

TECHNOLOGY FUND

Mr. Cousens: Congratulations to Sciex and IBM, two constituents of mine that did well through the technology fund; so I hope they will keep on putting some money out there where it is needed.

UNCONDITIONAL GRANTS PROGRAM

Mr. Cousens: The Minister of Municipal Affairs (Mr. Eakins) has not understood the per capita costs of running municipalities, because if you start taking the cost of running York region, York region is going down. In the last five years, the per capita cost for York region is about 16 per cent less than other municipalities.

[Applause]

Mr. Cousens: Do not clap.

Hon. Mr. Scott: It's finished. That's why I'm clapping.

Mr. Speaker: Order. That completes the allotted time for ministerial statements and responses.

CANADIAN SECURITY INTELLIGENCE SERVICE

Hon. Mr. Peterson: On a point of privilege, Mr. Speaker: I hope it is appropriate. A couple of days ago, the member for Rainy River (Mr. Hampton), I believe, asked me a question about agreements concluded between the Canadian Security Intelligence Service and the provincial government. I was not aware of it at the time and I perhaps misled him. I have checked into the matter. I think I have perhaps given him some incorrect information.

If I could just use this information, I am told there have been agreements concluded between CSIS and various police forces about the exchange of information and other matters relating to security. It is the feeling of everyone concerned that it is not in the public interest to reveal what those agreements are, but I want my honourable friend to know that indeed there are agreements in existence.

Mr. Breaugh: On a point of order, Mr. Speaker: What just transpired here was a little bit irregular. I believe the Prime Minister wanted to correct the record. The difficulty is that if he had done so during the—

An hon. member: He is not Prime Minister yet.

Mr. Breaugh: I know things you do not know.

The point I was going to raise is very simply that the Premier (Mr. Peterson) was asked a question during question period. I would have said that he should have responded during question period today, which would have allowed the member to ask a supplementary. I think we can get around this if we just permit that to happen, Mr. Speaker, whether you do it now or when you begin question period.

Mr. Speaker: I listened carefully. The first part appeared to me to be a point of personal explanation; then it extended into a response to a question. The Premier may wish to respond during question period, as usual.

ORAL QUESTIONS

AUTOMOBILE INSURANCE

Mr. B. Rae: I have a question of the Premier. On September 7, the Premier was apparently in Cambridge in the last days of the election campaign. On Sept. 7, he stated, "We have a

very specific plan to lower insurance rates;" according to the *Toronto Star* of September 8, in the story that runs under the byline of Denise Harrington. The Premier then went on to say that plan included the freezing of the cap, the continuation of the cap and the commitment to bring in legislation as soon as the House came back.

Can the Premier equate the commitment he made in the last days of the election campaign, that he would "lower insurance rates," which was a very specific commitment he made, with the announcement yesterday by the Treasurer (Mr. R. F. Nixon) of a 4.5 per cent increase in insurance rates starting January 1?

Hon. Mr. Peterson: I will refer that to the Minister of Financial Institutions.

Hon. R. F. Nixon: The commitment obviously was that the capped rates would continue until the board was in operation or until December 31, 1987, whichever came earlier. It was well understood. It is now apparent that the legislation establishing the board cannot be enacted by that deadline. In order to give the insurance companies time to inform their premium payers, I felt it was appropriate and fair that it be announced in the Legislature that a 4.5 per cent increase was going to be appropriate on January 1.

Mr. B. Rae: I find it a little astonishing that the Premier would not be willing to answer a question which relates directly to a statement he made. The Treasurer did not make that statement during the election campaign. He made a lot of other statements, but he did not make that one. It was the Premier, the member for London Centre (Mr. Peterson), who made that statement. He made that commitment in the last days of the election campaign to the people of Ontario.

I would like to ask the Minister of Financial Institutions, then, before his neck bulges any further—

Interjections.

Mr. Speaker: Before anything happens, the question is?

Mr. B. Rae: I would ask the minister, is it true that on September 7, 1987, the Liberal Party had a very specific plan to lower insurance rates? How is that plan compatible with his statement that he is going to give an increase of at least \$100 million to the revenues of the insurance companies starting January 1, 1988?

Hon. R. F. Nixon: I will answer the question before my honourable friend's halo gets any tighter. The plan, which as far as I know was supported by everybody in the Legislature, even

though the New Democratic Party did not want it to go forward into enactment at the time, was for the reduction of the premiums paid by males under 25 by 10 per cent and taxi drivers by 10 per cent. It is part of the legislation that is before us. The cap that was announced at that time has been very effective, but it is clearly understood by everyone that the cap runs out at the end of this year.

As a matter of fact, the huge, double-digit increases in other jurisdictions are much larger than those we are proposing at the present time.

Mr. B. Rae: I am troubled by what the minister is saying. Is he denying that the Premier said on September 7, "We have a very specific plan to lower insurance rates"? Is he arguing that plan is compatible with his decision to raise the rates? Either he is in favour of lowering the rates and he has a plan to lower rates, or he has a plan to increase the rates, which he has just announced. He cannot have it both ways. Which is it? Is he saying the Premier was not telling the truth when he had a very specific plan to lower the insurance rates?

1420

Hon. R. F. Nixon: The member knows that I believe the Premier always tells the truth, in spite of his comments.

Mr. Wildman: In spite of your leader's comments?

Hon. R. F. Nixon: No; in spite of the Leader of the Opposition's comments.

He would know that our plan, which is not for driver-owned and -operated insurance—which is what the New Democratic Party calls the state-operated program—was for a program involving a rate review board and the reduction of the rates, as I have already put forward.

We know what the NDP plan was. These two plans, as well as many other issues, were considered by the electorate. That is the situation we find ourselves in, where we are over here trying to keep our commitment to establish the rate review board, and I invite the honourable members to support it.

CHILD CARE

Mr. B. Rae: Now that that is perfectly clear, perhaps I could ask another question of the Premier. I do not know whether—

Mr. R. F. Johnston: It is all right. The Minister of Community and Social Services (Mr. Sweeney) is not here.

Mr. B. Rae: Since the Minister of Community and Social Services is away, maybe he will answer this one. I do not know.

Last week Sheila Copps, the member of Parliament for Hamilton East in the other place, said in reference to the new policy on child care, "Our sources tell us that the new policies will encourage private, not nonprofit, day care and will leave children at risk with no plan for national child care standards." At almost the same time, the Minister of Community and Social Services was saying: "The signals we are getting from Ottawa is they are favourably disposed to what we want to do here in Ontario. Basically, that is what we are asking for."

Can the Premier tell us whether he agrees with Ms. Copps or with the Minister of Community and Social Services?

Hon. Mr. Peterson: I always agree with the ministers.

Mr. B. Rae: I must say that comes as a complete surprise.

Since the Premier agrees with the minister, I take it he is therefore saying he basically approves of the plan that is being announced today in Ottawa, which is now available to members and to the public. That plan calls for the subsidization of for-profit, private-profit institutions in the province, it focuses nearly half the money on taxes rather than on direct funding for community-based child care and it means that there are literally hundreds of thousands of children who will not receive adequate child care in Ontario. Is that the plan he is supporting?

Hon. Mr. Peterson: I am not familiar with all the details of the plan. As the member knows, the minister is, I believe, in conference now with the federal minister, getting the details. As I said, I am not familiar with them. It is his intention, I am sure, to share all the information available as soon as he comes back to this House, which I expect will be next week. I tell my honourable friend with regret that I cannot tell him about the details; and I cannot tell him, frankly, whether we approve or disapprove of them.

Mr. B. Rae: It is a little bizarre that I can tell the Premier the details simply because one has a press release in one's hand and he is not aware of them because he is the Premier. That is a little strange.

Perhaps the Premier can tell us how he feels about a plan that will continue to leave thousands of families, now over 3,000 families in Metro Toronto, still waiting for subsidized space. There are nearly 250 families in Hamilton and 264 families in Thunder Bay waiting for such space.

Does the Premier not recognize that since the federal government has so badly dropped the ball, it is now the obligation of the province to

respond with a plan that will meet the needs of working families in this province and assure that there will be no children in this province who will want for child care, which is obviously the result of the federal plan, as has been published today, and that apparently has been acquiesced in by his own minister?

Hon. Mr. Peterson: Again I apologize to my friend that I am not in a position to comment on all of the details, be they good or bad. The minister will be reviewing it. He will come back to this House and share his views with the member, and he can stand up and make any attacks or any points he would like to make at that particular time.

We have been waiting for this announcement with considerable anticipation, as my honourable friend knows, because we are of the view that we do need a comprehensive national plan with respect to child care. I just want to say to my honourable friend that in many respects this province is leading the country with respect to its commitment, which I believe is over \$1 billion in the next four years. We have substantially increased the number of spaces, and we have fundamentally changed the policies attached thereto with respect to direct grants, income testing and other areas that the former government, as the member knows, felt incapable of moving on. So I think we have been providing leadership.

We recognize the fact that it is a joint responsibility and that we do need federal participation. Whether that meets our particular aims and needs, whether it meets the needs of Ontario families, I am not in the position to tell my honourable friend, but obviously we believe it is a very high social priority. We would like to put as many resources as we possibly can into it and welcome other levels of government to share our very strong commitment.

RETAIL STORE HOURS

Mr. Brandt: My question is for the Solicitor General. We on this side of the House are still attempting to discover how the evolution of her policy took place and how her conversion took place in relation to the long-standing issue of the Sunday shopping question. Would the minister share with us whether she had any conversations prior to her policy statement on Sunday shopping with the United Food and Commercial Workers International Union, the Ontario Federation of Labour or the Association of Municipalities of Ontario. Did she consult with any of those groups?

I ask that question because it appears that, first, those who are most directly involved in enforcing the policy of whether there will be Sunday shopping and, second, those who will be forced to work, from all the evidence I have seen in the public responses to her policy, seem to be virtually all in opposition to what the minister has stated Ontario is about to do. Did the minister in fact talk to them?

Hon. Mrs. Smith: I recognize that these unions would indeed have an interest in the workers they serve, and I would have been glad to talk to them, which I did not, if it had been a question of what we were able to do that we were discussing. What we were faced with was a situation where we made a judgement that we were not able to define tourism on a broad provincial level in a way that would be meaningful at all before the courts or any other group.

Since we could not do this definition and since we decided we must have a policy that recognized that fact, there was no point in getting the opinion of these people, many of them union organizations which had expressed opinions to the select committee. I am pretty sure they would be much happier with no Sunday openings, but unfortunately, we could not do that ourselves under the broad definition that covered the whole province.

Mr. Brandt: The one group the minister did not make any comment on was the Association of Municipalities of Ontario. There are close to 900 municipalities throughout Ontario, and since that is the government level that is now going to be responsible for implementing or introducing Sunday shopping, and since it is our belief, shared by many people, that the minister has shirked her responsibilities in that respect, why would she not at least discuss with the municipalities whether they were in favour of taking on this responsibility?

Second, in the response that the minister has given, I see no reason whatever why she could not have consulted with the working people of this province who are now going to have to give up their family lives on the Sunday to work or, in some instances, may have this interfere with their religious beliefs. Could the minister respond to that?

Hon. Mrs. Smith: The groups the member mentioned were consulted by the select committee and their opinions were made known at that time and have been taken into consideration in our study of the select committee report. But it was unfortunately found that we could not find a broad enough definition of tourism for the

province to define it on a provincial level. Therefore, it is left with the municipalities either to make such a definition on a narrower version of their municipal interest or to have a referendum or to go open. They still have that choice.

I note that in today's paper many of them are grateful for the opportunity to not open. In my own home town of London and most of the Toronto areas, I gather, the councils, at this point at least, in a straw vote are saying they want to stay closed. I do not think they would have very much appreciated us forcing them to stay open.

1430

Mr. Harris: Time will tell, and the minister may want to reflect on those comments when a little bit of time passes.

Those of us who are concerned about northern Ontario want to be assured that when she announces policies, the impact on northern Ontario has been considered. Second, we want to know that the Minister of Northern Development (Mr. Fontaine) is doing his job and passing on those concerns on province-wide legislation.

That is why yesterday I asked the minister about the unorganized areas. Clearly, when she responded to questions, she had no idea of the impact. Second, she had no idea how they operated. She had no idea that she is responsible for enforcing things in her ministry's jurisdiction in these unorganized areas.

Given all those wrong answers that she gave yesterday, I wonder if she would reflect on the statement she made in response to my question, did she consult the Minister of Northern Development or did he have input?

She said yesterday, "This was discussed at great length in cabinet, and the minister was there." I wonder if the minister would like to reflect on that statement she made yesterday as to its accuracy.

Hon. Mrs. Smith: I recall saying that it was discussed at cabinet. I do not remember precisely who was at cabinet, nor am I responsible necessarily to disclose that, but it was discussed.

The point that the member for Nipissing has to remember is that we specifically left time to discuss these detailed arrangements for all municipalities, all areas. That is what we have left ourselves time to do. I said in my original statement that we would be consulting with these groups, and indeed we will be.

Interjections.

Mr. Speaker: Order. The member for Leeds-Grenville would like to ask a question.

CHILEAN WINES

Mr. Runciman: I may, as a matter of fact. My question is for the Minister of Intergovernmental Affairs. It is a timely question, given the Premier's reception for foreign consuls last night, which was attended, I believe, by the Chilean consul.

In a recent news release, the Liquor Control Board of Ontario announced the expansion of imported products from several countries. The list of countries included Chile, where there are severe abuses of human rights. A report by Amnesty International details 50 new cases of torture reported since March 1987.

Mr. Luis Tricot, for example, a patient receiving regular medication for epilepsy, was arrested on September 3, 1987, beaten and given electroshock during the three-day period he was held. As well, two students arrested on April 9 were subjected to severe torture during the nine days they were detained. These are examples of victims who lived to report their nightmares and represent a small sampling of human rights abuses in Chile.

I would like to ask the minister-Premier how he can justify an increase in imported products from Chile in the light of its deplorable record with regard to human rights.

Hon. Mr. Peterson: The member alluded to the fact that we had a reception for the consuls general last night and indeed he is quite right; we did, we invited them all. The consul general from Chile was there, I believe, and from Panama and from many Eastern Bloc countries. They were all invited.

Hon. Mr. Nixon: Cuba.

Hon. Mr. Peterson: Cuba. They are all accredited here to Toronto and we invited them; we enjoy good relationships in most cases.

I must say I am delighted to see the conversion of my honourable friend the member for Leeds-Grenville on the road to Damascus about human rights and things of that nature. It would be nice if he paid the same attention to those matters inside our own country.

Mr. Runciman: At least I am not a hypocrite like you.

Hon. Mr. Peterson: However, I am not aware of the figures the member cites with respect to importation of any products from Chile, and indeed the government does not have a policy in that regard to limit them.

Hon. R. F. Nixon: On a point of order, Mr. Speaker: You may want us to ignore interjections, but the honourable member called the

Premier a hypocrite. That is specifically unparliamentary. We will follow your ruling, of course, but I feel I should bring it to your attention.

Interjections.

Mr. Speaker: Order. I would like to inform all members that I have been waiting to make some comments on a similar matter that took place on a previous day. I listened very carefully and, following question period, I will make those comments. I hope all members will listen carefully.

Mr. Runciman: On a point of order, Mr. Speaker: If you are going to consider that, I would ask you to also consider the Premier's comments about my conversion with respect to human rights.

Mr. Speaker: We are all here as honourable members, and I wish we could all control ourselves and ask reasonable supplementaries. Would you do that now?

Mr. Runciman: This recent move by the LCBO makes me wonder how concerned this government is about developing a stand on human rights that is consistent and treats all countries equally. I want to ask the Premier if the government, after a review of global human rights records, will develop an importation policy that is consistent for all countries, or whether the government's prime concern is to be trendy and do what is popular at the moment.

Hon. Mr. Peterson: I appreciate the point the honourable member has raised. We have not applied our minds to that question. As he knows, we have a policy with respect to South Africa and we have done that. I guess my honourable friend thinks that should be extended to Chile, and perhaps he has some other countries in mind he wants to bring to our attention. I am always interested in members' views on these subjects, because I think they are important issues and we all have to express our own points of view on them.

There are lots of fights for human rights that are very important around this world, sometimes indeed inside our own province. It is funny; it always seems to me, when we have a country that speaks two official languages and we discuss these matters, that some people in the province are less ambitious about standing for the rights of our own citizens. Indeed, I think my friend may want to examine his own conduct in that particular regard.

Mr. Runciman: That is a sleazy comment, nothing less.

In 1983, a special report on human rights, issued by the select committee on the Ombudsman, which I chaired, recommended that the terms of reference of the committee be expanded to monitor human rights issues and advise the House on appropriate courses of action. The inconsistency displayed by the government with regard to human rights issues could have been avoided if the recommendations made in that special report had been adopted.

Will the Premier today commit himself to adopting those recommendations, or will he continue to recognize human rights violations only when there are political points to score?

AGRICULTURAL INDUSTRY

Mr. Wildman: I would like to direct a question to the Minister of Agriculture and Food, and may I say that I do so with the genuine understanding that all members of this House believe in democracy and are opposed to torture.

I would like to give the Minister of Agriculture and Food the opportunity to respond fully to the question I asked earlier this week when I asked for his position with regard to the free trade deal signed by the federal government, now being further negotiated with the United States. I know it was the last question in question period, and we ran out of time. The minister did not have the opportunity to tell us what his position was; so I would like to give him the opportunity now to make it clear whether he supports the resolution passed by the Ontario Federation of Agriculture at its convention with regard to free trade.

1440

Hon. Mr. Riddell: I am not so sure the member should be so concerned about my position on free trade as he should be concerned about the position of the agriculture and food industry on free trade. As I tried to tell him the last day when he asked the question, a study that was done revealed that there were certain sectors of the agriculture and food industry that would probably gain from free trade. There were other sectors of the agriculture and food industry that would lose considerably in this deal. The report shows that, on balance, this deal would not be beneficial to the agriculture and food industry.

Mr. Wildman: I think all of us in this House who are interested in agricultural issues are aware of the various positions and effects that might result from a free trade deal with regard to various commodity groups in the province. I would like to ask the minister if, now that he has told us what his understanding is of the various commodity groups' positions, he could himself

tell us what his position is. Is it that he would prefer not to tell us what his position is?

Hon. Mr. Riddell: My position coincides with that of the study that was done which, as I indicated, revealed that, on balance, this deal is not in the best interests of the agriculture and food industry. There are some sectors that will benefit, but there are other sectors that will not benefit. If you consider it as a whole, there are more sectors of the agriculture and food industry that will lose, and lose substantially, under this deal.

I will also go on to say that at the agriculture ministers' conference yesterday, I sat rather amused to hear most of the agriculture ministers talk about the concerns they have about this trade deal for the agriculture and food industry, knowing that they have premiers in those provinces who are supporting the deal almost to the nth degree. I sat there and I kind of chuckled because they were sharing exactly the same concerns we have about how the safeguards will work, how the dispute settlement mechanism will work and how the import control list will work and what will be included on the import control list. They said it all yesterday in the agriculture ministers' conference, and yet their premiers have come out full force in favour of free trade. It struck me as rather ironic.

LIQUOR CONTROL BOARD OF ONTARIO

Mr. Runciman: My question is to the Minister of Consumer and Commercial Relations. The minister, through the Liquor Control Board of Ontario, allowed for taste-testing of 1987 Beaujolais Nouveau—is that pronunciation all right, Ian?—

Hon. Mr. Scott: So far. You had better check with Noble Villeneuve, not me.

Mr. Runciman: —in three LCBO stores recently. At the same time, the LCBO has refused to allow the Ontario wine industry to exercise the same privilege, despite receiving requests from at least two Ontario wineries. Will the minister explain to the House how he can justify this blatant discrimination against the Ontario wine industry in favour of foreign wines?

Hon. Mr. Wrye: I am not aware of the specific requests from the individual wineries. This is a decision that has been taken by the Liquor Control Board of Ontario. I can tell the honourable member that I will look into his concerns in an effort that we can in the future establish a policy that will be consistent and consistently applied. Certainly, in the whole area of wine-tasting, there are individual requests. It

seems to me, whether it is location or whether it is one kind of wine or another, with respect to the policies in the past, one of the problems we have had with the LCBO over a number of years is the inconsistent application. One of the things we are working towards, as the honourable member would know, is a more consistent application of the policies. Certainly, I share his concerns in terms of their application between foreign and domestic wines.

Mr. Runciman: In areas where this government has no jurisdiction, such as the General Agreement on Tariffs and Trade, the government claims to be the great defender of the Ontario wine industry. On the other hand, in areas where the government has jurisdiction, it is the great discriminator against Ontario wines.

This minister is the Great Pretender. In fact, he is the greatest pretender since the Platters.

Hon. Mrs. Caplan: You are dating yourself.

Mr. Runciman: I thought it was pretty good.

Mr. Speaker: Question?

Mr. Runciman: Is the minister prepared to give an unequivocal commitment to allow taste-testing for the Ontario wine industry so that it may be allowed on a level playing field when competing with foreign products?

Hon. Mr. Wrye: There is my friend the member for Leeds-Grenville, a member of a party that is prepared to sell the Ontario wine industry down the drain, whose party is prepared to have a wine industry and a grape-growing industry that would no longer exist; and he is worried about whether we ought to have taste-testing or not.

What this government is worried about is having a policy that is equally applied and reasonably applied, but what we are most worried about is whether 10 years down the road we will have any wine industry to worry about at all. I can tell him this government is going to ensure that we will.

Interjections.

Mr. Speaker: Order. Once again, we will just wait until everyone is—

Interjections.

Mr. Speaker: Order.

SALES TAX

Mr. Owen: I have a question of the Treasurer. Through the years, I have heard the minister criticize sales tax as a tax unfair to those of middle and lower incomes. The federal Minister of Finance, Michael Wilson, is now proposing an

overall reduction of income tax but an expansion of the areas covered by sales tax.

Is the minister contemplating a shared arrangement on collection of sales tax with the federal government? If so, how is the minister's philosophy of taxation fitting into the federal proposals of collection of sales tax?

Hon. R. F. Nixon: The honourable member is correct in my past statements about the regressivity of sales tax. In spite of that, we now have a seven per cent sales tax in the province, which returns about \$900 million per per cent, but we have attempted to eliminate part of the regressivity by having a tax credit system designed to assist the lower-income people who have to pay the tax at the same rate as even the members of the NDP. The government of Canada, in its proposal for strengthening the sales tax, has indicated that the idea of tax credits is one that does decrease the regressivity.

I am not keen about sales taxes at all, but I am keen about paying the bills. It seems to me that sales tax revenue will be a part of our revenue mix for the foreseeable future.

Mr. Owen: I know the minister is seeking an exemption for public sector procurements by municipalities, hospitals, colleges and universities in any shared sales tax. However, what protections will be assured to those with middle and low incomes that they will not suffer a further unfair burden in the collection of revenue to support government services once the federal government starts to collect sales tax for the province? What control or input will we have to further areas of increases contemplated by Ottawa?

1450

Hon. R. F. Nixon: The question is an excellent one, because those are just the things that I am considering.

Interjections.

Hon. R. F. Nixon: No. The interjections are incorrect, probably for the first time.

I want to say to the honourable member that the only reason we would consider co-operating or participating in a federal sales tax is if there were the safeguards for tax credits being applicable, to safeguard our own taxpayers in just the way the honourable member has described.

Mr. Speaker: Prior to question period, there was a point raised and I believe the Premier (Mr. Peterson) intimated that he wished to add further to a response to a question by the member for Rainy River (Mr. Hampton).

CANADIAN SECURITY INTELLIGENCE SERVICE

Hon. Mr. Peterson: This is just to repeat what I said earlier and so that my honourable friend can ask me a supplementary. He asked me a couple of days ago if there had been any negotiations or any agreements concluded between the Canadian Security Intelligence Service and the provincial government. I made a quick survey around here with the ministers, and I was not aware of any. Unfortunately, on the basis of my ignorance, I think I gave the honourable member some information that was not correct.

There have been negotiations concluded, I am told. I am told they deal with police forces and others, between the ministries directly. They basically involve law enforcement and exchange of information. As I said to my honourable friend, it is viewed by all concerned that it is in the public interest not to make these public.

Mr. Hampton: My question to the Premier is this. The transgressions of CSIS are well noted. The watchdog committee set up by the federal government has stated point-blank, publicly, that this organization does not know the difference between somebody who is a subversive and someone who is merely interested in promoting peace or someone who acts within a legitimate trade union or someone who may just have dissident ideas about how political ideas ought to evolve in this country. This organization runs around investigating 30,000 individual Canadians and does not really care that what they may be doing is legitimate.

Manitoba, Quebec and British Columbia have all told CSIS to take a hike, that they cannot be trusted, that they infringe on individual rights. What is Ontario going to do to equally tell CSIS to take a hike, that it should not be running around looking at individual trade unionists in Ontario—

Mr. Speaker: The question has been asked.

Mr. Hampton: —and peace group activists, investigating—

Mr. Speaker: Order. The question has been asked.

Hon. Mr. Peterson: The problems the member ascribes to the federal government are probably correct. They apply in more than just one area of the federal government, not just CSIS, but are rampant throughout. We still have a responsibility, however, in our country, with our levels of jurisdiction, to try to co-operate where possible. It is their responsibility, not ours, to the extent that they are, hopefully, using

their power properly. We try to co-operate. We have not come to the conclusion that it is serious enough to use the member's description or take his advice on how to handle the situation; but if that comes about, then we can deal with that in the future.

HOURS OF WORK

Mr. Mackenzie: I have a question for the Minister of Labour. Currently, the only protection for Ontario workers regarding Sunday hours of work is the length of the workweek and overtime provisions in the Employment Standards Act, as well as provisions in the Employment Standards Act for retail workers and constraints under the Retail Business Holidays Act, which the government has said it will not enforce. Also Bill 51, introduced yesterday, is not likely to be enforceable.

Does the minister not agree that workers in Ontario would get more protection if the main and straightforward recommendations of the Donner task force on hours of work and overtime pay were implemented, specifically the two that change the trigger level of hours for overtime pay from the current 44 hours to 40 hours; and make overtime voluntary, with a right to refuse after 40 hours a week instead of the current 48 hours? The minister, I know, has been reviewing this report since June 1987. Could he tell us when his views on these three recommendations are to be tabled and when he plans to table amendments in this House?

Hon. Mr. Sorbara: That is a very good question from my friend the member for Hamilton East, and it does give me an opportunity to make another reference to Bill 51, which he says was introduced yesterday in this House. The fact is that Bill 51 does offer additional protection to retail workers, and I think he should list that in the protections he listed.

We are now looking at a number of alternatives, certainly including the alternatives suggested in the Donner task force report and, as I have said in this House on a number of occasions, initiatives that would respond to the policy on Sunday openings. I cannot give him a specific date when we will be bringing in our formal response to the Donner task force report. Mr. Donner has recently reported to me on the second phase. These documents are now in the hands of officials. The first phase is just about to be printed and distributed widely among the public.

Mr. Mackenzie: I am sure the minister is aware that some members of the Donner task force are wondering when they are going to see

the recommendations. In chapter 13 of its report, the Donner task force noted that, using conservative assumptions, reducing hours worked to 40 hours per week would likely reduce unemployment by 66,000 people.

The Minister of Labour has had an opportunity to introduce changes to the Employment Standards Act that would help protect workers such as those in the retail sector who in many cases are asked to work long hours, and limiting overtime would also create jobs.

Why will the minister not proceed with such beneficial changes instead of giving us a bill that is likely to be unenforceable and is obviously a fly-by-the-seat-of-the-pants bill in this House?

Hon. Mr. Sorbara: That is a very strange comment indeed from the member for Hamilton East, particularly with reference to Bill 51, which does not go all the way and which perhaps does not go as far as the member for Hamilton East would like it to go.

It was one year ago to the month when the exact predecessor of Bill 51—then called Bill 185—was introduced in this House and that very member stood up in this House and called it a useful bill that should be passed. This time, for some unknown reason, when this House wants to quickly offer additional protection to retail workers, my friend the member for Hamilton East gets up and says, “The bill will do no good.”

CREDIT UNIONS AND CAISSES POPULAIRES

Mr. Harris: I have a question for the Minister of Financial Institutions.

I wonder if the minister could advise this House whether the decision that has been made with respect to grouping both credit unions and the caisses populaires in the government's proposed \$75-million stabilization fund is final. If so, could the minister explain why he is pursuing that course, in view of the fact that both groups want separate funds, in view of the fact the minister's proposal will penalize the 52 caisses populaires and in view of the fact that the caisses said they neither need nor want the money?

Hon. R. F. Nixon: The situation regarding credit unions and caisses populaires has been going on for a year to 18 months. My predecessor, having established the need for a policy to assist some of the caisses and provide a program that would give mutual protection and insurance, travelled all over the province visiting not only the credit unions but the caisses populaires in all parts of the province.

It was the policy—and it remains unchanged—that such a program of mutual support must involve the credit unions and the caisses populaires that are solid and strong in a program that is going to support those that have been less fortunate and perhaps less well administered over the last few months and years. The policy of grouping them together for mutual strength remains unchanged.

Mr. Villeneuve: The Liberal front benches have been requesting a question in French, so here goes.

En dépit de ce que le ministre vient de nous dire, il sait très bien que les caisses populaires en Ontario sont bien gérées et très stables financièrement. Les caisses populaires ont déjà leur propre fonds de stabilisation. Le projet de loi reconnaît clairement que les caisses populaires, comme groupe séparé, ne désirent recevoir aucun argent sous les conditions que le ministre a déjà énoncées.

Le ministre peut-il reconsidérer son programme d'établissement d'un fonds commun qui ne rapporte aucun intérêt aux institutions, et tenter de représenter dans son Cabinet et traiter les caisses populaires séparément des « credit unions »?

1500

L'hon. R. F. Nixon: Je voudrais remercier le député de sa question.

In case that is not sufficient, I am aware that the caisses populaires are unhappy with their inclusion in the general program. I would say that my predecessor, in establishing this policy, did so only after the most careful consultation and consideration. While I would like to tell the honourable member that we are prepared to start at square one and discuss it again, I hope that will not be necessary. I believe the program, as it is established, gives strength to the whole credit union/caisse populaire movement, which is extremely important in all parts of the province but, I agree, particularly important in those French-speaking communities which have such an effective and strong tradition and administrative experience in this regard.

STABILIZATION PAYMENTS

Miss Roberts: My question is to the Minister of Agriculture and Food. The minister will be pleased to hear that the farmers in my riding appreciate the retroactive funding that was made by the province in 1986 to stabilize the 1985 depressed potato prices. The minister will also be aware that to this point in time, the federal Minister of Agriculture has not lived up to his

commitment also to offer potato stabilization to Ontario growers, while New Brunswick and Prince Edward Island last week were promised federal potato assistance by the Prime Minister. Can the minister advise the House whether he has recently pursued this discrepancy with his federal counterpart?

Hon. Mr. Riddell: I am sure that very excellent question arose out of the honourable member's concern that Ontario was not mentioned in the recent announcement from the Department of Agriculture that both the Prince Edward Island potato growers and the New Brunswick potato growers would receive a stabilization payment for their 1985 crop.

I think the honourable member knows that the Ontario potato growers and I have worked very closely with the federal Minister of Agriculture. We have had numerous meetings with him to try to convince him that our growers are just as entitled to stabilization as are the PEI and New Brunswick growers. With my tenaciousness, I pursued it again yesterday with the honourable Minister of Agriculture, and I am pleased to announce that Ontario potato growers will be participating in the 1985 stabilization program.

CHILD CARE

Mrs. Grier: I have a question for the Premier. In the throne speech that was read in this House in April 1987, the government committed itself to require the provision of child care spaces in all new schools. The Treasurer (Mr. R. F. Nixon), in the presentation of his budget in 1987, underlined that commitment by saying, "planning is under way to provide child care spaces in all new schools." Can the Premier tell us whether that is still the position of his government?

Hon. Mr. Peterson: Yes.

Mrs. Grier: In my riding of Etobicoke-Lakeshore, the Etobicoke Board of Education has received approval from the Ministry of Education to tear down an old school and build a new one on the same site. Officials and the Minister of Education (Mr. Ward) have ruled that this is a replacement school, not a new school, and that the ministry is therefore not required to provide child care spaces. Can the Premier tell us whether he agrees with the position taken by his officials?

Hon. Mr. Peterson: The member has provided her own answer to the question, obviously. The member obviously disagrees with this ruling with respect to replacement, and I understand the honourable member's position on that. It is certainly something that can be reviewed. I am

glad she brought this to my attention. I was not aware of it, but it does not appear from what she tells me that there was any violation of the rules that were set in place; it is just that she happens to disagree with it. We will look at it and if there are any changes, we will get back to her.

ALCOHOL AND DRUG ADDICTION

Mr. Pollock: I have a question for the Minister of Health. In the fall of 1985, a request was made to the Minister of Health for funding for a substance abuse day treatment program, involving the counties of Peterborough, Haliburton, Victoria and Northumberland. This was denoted as priority one by the district health council and received strong local support, but the request was turned down.

In September 1987, another proposal for funding was made by the Four Counties Addiction Services Team, FourCAST, for a similar program. Can the minister tell this House if this worthy program will receive the funding that is so rightly needed?

Hon. Mrs. Caplan: I thank the member for the question. It gives me the opportunity to say that I personally and the Ministry of Health are committed to drug addiction and abuse programs across this province. The process for review of new and expanded programs and initiatives, as I understand it, is through the local district health councils. I am not aware of the specific proposals the member has mentioned, but I would be pleased to get that information and discuss it with him.

Mr. Pollock: I am sure the minister is well aware of the distressing situation that exists in this region with regard to both alcohol and drug abuse and that existing addiction-related services are limited to self-help groups such as Alcoholics Anonymous.

The proposal by FourCAST has also received much local support from organizations including the Peterborough County-City Health Unit, the Salvation Army, the Alcoholism and Drug Addiction Research Foundation and the Peterborough Young Men's Christian Association, along with numerous doctors and other concerned community groups.

In the light of these facts, can the minister give us the assurance that, unlike the proposal made in 1985, the request for the funding of this new program will receive the utmost consideration from her ministry?

Hon. Mrs. Caplan: The allocations within the ministry to alcohol and drug abuse and community mental health have been significantly

improved over the past two years, as an example of the commitment within the ministry. The allocation of resources is something in which I am extremely interested.

I believe that the recommendations of the district health councils and the consultations with groups, such as the one that Robert Graham is heading up, to look at a comprehensive approach to community mental health are very important in ensuring that we have that kind of consultation with the communities as we determine the priorities for the programs established.

Let me state again my own personal commitment to alcohol and drug abuse programming in this province. I will be pleased to look into the specific applications that the member mentions.

OVERCROWDING IN SCHOOLS

Mr. R. F. Johnston: My question is to the Minister of Colleges and Universities in regard to the problems of overcrowding at our post-secondary institutions. The minister knows that today there has been a strike held at Trent University to protest the terrible overcrowding in the Bata library. She has seen that and understands how inadequate it is to meet the needs of the students at Trent University at this point.

Can the minister advise the House how serious this problem of overcrowding is around the province and why government policies have led to this impasse in Ontario?

Hon. Mrs. McLeod: I will not deny that this government inherited a long legacy of capital funding needs when it assumed the government role, and I think the House is aware that the government has been trying to meet those capital needs over the last two years. There are still capital needs that exist. I am familiar with the situation at Trent and I am aware of its concerns.

I can only stress the fact that we have doubled our capital funding. We now have some 22 major projects under way and we are trying to meet the capital needs on a priority basis. We will be looking at priorities for the following year and making announcements on capital funding some time early next year.

Mr. R. F. Johnston: I had really hoped the minister might be able to tell us just how serious the problems were and to enunciate them for us.

I am sending across to her today, just off the press, the Ontario Confederation of University Faculty Associations' Forum newspaper, which actually has photographs in it from a first-year anthropology class at Sidney Smith. On Wednesday night we will see students sitting in the aisles,

obviously against the Ontario Building Code, in another psychology class in the same university.

I also would like to let the minister know, as she possibly does know, that York University says it requires, just to meet its present student needs, an extra 41 seminars, an extra 23 classrooms, an extra four lecture halls.

1510

I wonder if she can tell us exactly how serious the problem is across the province and whether she is going to meet the Council of Ontario Universities recommendation for the amount of money it should be receiving for capital to meet the overcrowding problems there now and those that will be there, much more significantly, as she knows, next fall.

Hon. Mrs. McLeod: I can only reiterate that we are aware of the capital needs not only at Trent University and York University but also at a number of universities. We have to recognize that when we talk about overcrowding, we are talking not only about physical spaces when we look at the university situation, but also about the number of courses that are scheduled, the number of sections of courses and the number of students in particular classes. A large number of factors comes into determining overcrowding situations.

We are working with the whole question of both operating grants and capital grants and we are doing so as fully as we can. We will meet capital needs on a priority basis within the budget we have for that.

RED MEAT INDUSTRY

Mr. Villeneuve: I have a question to the Minister of Agriculture and Food. How does he explain to the red meat producers in Ontario the stand of the Premier (Mr. Peterson) on free trade?

Hon. Mr. Riddell: The Premier was quite right in the stand he took on free trade based on the study he has a copy of, as I do, indicating that the free trade deal is not beneficial to the agricultural and food industry as a whole.

As I have already indicated many times, yes, there are sectors that feel they stand to gain from this free trade deal. The red meat producers do because the import restrictions would be removed. But as far as other sectors of the economy are concerned, we just talked about the wine and grape growers a little earlier on. This kind of deal is devastating to them. The chicken producers are not happy with the deal because of the increase in the global import quota coming in from the United States. The fruit and vegetable growers

have no idea how effective the safeguards will be to replace the removal of the seasonal tariffs.

I could go on and on. When we consider all this, it is obvious that the Premier is right when he says the deal is not in the best interests of Ontario citizens, and that includes the Ontario agricultural and food industry as a whole.

Mr. Villeneuve: The minister did mention some areas, but my question specifically was on red meat. For every hog that is grown in Ontario and goes to the United States, that is \$10 out of the producer's pocket. The cattle industry is being threatened. How does the minister explain that to our producers when it is costing them money and the Premier's stand is going to continue and will cost them more?

Hon. Mr. Riddell: I do not think that is necessarily the case. We have seen different trends taking place over the last few weeks and months, some of them starting with the stock market crash, if you want to call it that. The Americans are having a little different attitude. Do not ever think, with Canada being the largest customer they have and Ontario being the third largest customer they have, they are going to act to try to alienate Canada and Ontario as customers.

I happen to think the red meat producers will continue to export into the United States and import from the United States, as they have been doing in the past despite any kind of free trade agreement.

STEEP ROCK RESOURCES INC.

Mr. Hampton: My question is to the Minister of Natural Resources. He will know that his ministry is carrying on negotiations right now with Steep Rock Resources, a mining company which closed down its operations in Atikokan, leaving behind it a dump with polychlorinated biphenyl compounds and a generally wasted environment.

His department is carrying on negotiations right now with respect to perhaps purchasing the site again. Can he assure this House that no money will go to that corporation for that site from the Ministry of Natural Resources?

Hon. Mr. Kerrio: The member is absolutely right that those negotiations are ongoing. They are not quite as simple as the member might describe. The polychlorinated biphenyls that are on the site of course are the responsibility of the company and those negotiations are taking that into account.

The thing we have as a difficult situation here goes much broader and deeper. There is going to

be required, over many years, continuous pumping to keep the water table down. It had been diverted through that area. I cannot really give the member a full acknowledgement of the resolution of this problem but I certainly would be most willing to share his concerns.

Whatever information I have in detail, I am very prepared to share with the member in any way he chooses to do it. Whether he would like to meet with some of my people who are negotiating to see what we are trying to achieve or otherwise, I am very willing to share that with the member.

MOTION

COMMITTEE MEMBERSHIP

Hon. Mr. Conway moved that the membership of the select committee on constitutional reform be as follows:

Mr. Beer, chairman; Mr. Allen, Mr. Breaugh, Mr. Cordiano, Mr. Elliot, Mr. Eves, Mrs. Fawcett, Mr. Harris, Mr. Morin, Mr. Offer and Miss Roberts.

Motion agreed to.

INTRODUCTION OF BILLS

THEATRES AMENDMENT ACT

Hon. Mr. Wrye moved first reading of Bill 54, An Act to amend the Theatres Act.

Motion agreed to.

Hon. Mr. Wrye: I want to introduce a bill that would bring the management structure of the Ontario Film Review Board in line with other public agencies, boards and commissions. Under this amendment to the Theatres Act, separate individuals will be appointed as chairperson of the board and director of the theatres branch.

UPHOLSTERED AND STUFFED ARTICLES AMENDMENT ACT

Hon. Mr. Wrye moved first reading of Bill 55, An Act to amend the Upholstered and Stuffed Articles Act.

Motion agreed to.

Mr. D. S. Cooke: What is this going to do for the people of Windsor?

Hon. Mr. Wrye: I would like to give a brief explanation of this very important amendment we are reintroducing today.

Mr. D. S. Cooke: Oh, stuff it.

Hon. Mr. Wrye: I say to my friend the member for Windsor-Riverside (Mr. D. S. Cooke) that I am surprised he has not had any comments on the courthouse.

Mr. Speaker: The explanation is?

Hon. Mr. Wrye: In addition to a few minor housekeeping changes, the amendments include a substantial increase in penalties that may be levied for contravention of the act's registration, labelling and other requirements.

OPERATING ENGINEERS AMENDMENT ACT

Hon. Mr. Wrye moved first reading of Bill 56,
An Act to amend the Operating Engineers Act.

Motion agreed to.

Hon. Mr. Wrye: I have a brief explanation of this bill which we are reintroducing for first reading today. The act will allow engineers certified by other Canadian provinces to apply for an Ontario certificate at their current levels of education and expertise.

1520

OSHAWA PUBLIC UTILITIES COMMISSION ACT

Mr. Breaugh moved first reading of Bill Pr10,
An Act respecting the Oshawa Public Utilities Commission.

Motion agreed to.

GENERAL HOSPITAL OF PORT ARTHUR ACT

Mr. Kozyra moved first reading of Bill Pr30,
An Act respecting the General Hospital of Port Arthur.

Motion agreed to.

ENERGY AMENDMENT ACT

Mr. Wildman moved first reading of Bill 57,
An Act to amend the Energy Act.

Motion agreed to.

Mr. Wildman: The purpose of the bill is to include wood-burning furnaces, stoves and other devices in the definition of "appliance" and accordingly make them subject to regulation under the act. Hopefully, it will help to cut down the incidence of serious fires in northern Ontario.

CITY OF HAMILTON ACT

Mr. Charlton moved first reading of Bill Pr67,
An Act respecting the City of Hamilton.

Motion agreed to.

NOTICE OF DISSATISFACTION

Mr. Speaker: Pursuant to standing order 30, the member for Nipissing (Mr. Harris) has given notice of dissatisfaction with the answer to his question given by the Solicitor General (Mrs.

Smith) concerning the impact of Sunday store openings on northern Ontario. The matter will be debated at 6 p.m.

ORDER OF QUESTIONS

Mr. D. S. Cooke: Mr. Speaker, on a point of order: During the question period today when we were doing the rotation—it is my understanding that when a minister is going to answer a question that has been previously asked, the rotation is considered to be one of the rotations from the Liberal Party, or that is the process we have followed in this place in the past. There were two rotations taken up by the Liberal Party by allowing a member to ask a question and then the Premier (Mr. Peterson) to answer a question.

Mr. Speaker: I appreciate the point of view that the member expresses. I remember some time ago reviewing this and there is no tradition. Actually, the request to respond to a question can come at any time and it has been my understanding that it has not been considered that.

Mr. D. S. Cooke: Mr. Speaker, I will check the process that we used in the spring, but it is very clear to me that in the spring you did follow that process, that notices were given to you for answering questions previously asked.

Mr. Speaker: I am not here to debate the matter. Certainly, whenever possible, I tried to work it in when there was not a member of one party asking questions. I tried to work it in as well as I could.

Mr. Harris: Mr. Speaker, on the same point of order: I do not think the Premier knew exactly the rules and how to get the information forward that he wanted to get forward. It struck me that he was rising to correct the record, which certainly a member is entitled to do, and I thought he did that.

If, in the opinion of the Speaker, he was rising under some other mechanism, which I do not think he did—I believe it was on the point of order of the member for Oshawa (Mr. Breaugh) who insisted that it be treated that way so that he could have a supplementary question, which surprised me. I am not sure it was correct on your part, Mr. Speaker, given that there may be a precedent for the future that an opposition member can tell the House how to treat a correcting of the record by the Premier.

In my opinion, it ought not to be a precedent, and I do not fault you, sir. The member for Oshawa made the suggestion, the Premier adopted it and away we went, but it was highly unusual.

ORDERS OF THE DAY

ONTARIO AUTOMOBILE INSURANCE BOARD ACT (continued)

Resuming the adjourned debate on the motion for second reading of Bill 2, An Act to establish the Ontario Automobile Insurance Board and to provide for the Review of Automobile Insurance Rates.

Mr. Speaker: When the debate adjourned, the member for Welland-Thorold was debating. Do you have any further comments?

Mr. Swart: I had just been making some lead-in remarks to the bill when I finished my comments yesterday. I have two preliminary things to say before I get back on that particular issue.

One is that I want to make a correction of figures which I put on the record yesterday. I stated that the \$765 million net profit the insurance companies made was in the second quarter of this year. I should have said it was in the first two quarters of this year. That was in the context of showing that it had gone up from \$262 million last year and I want to correct that.

The second comment I want to make is that if the Minister of Financial Institutions (Mr. R. F. Nixon) wishes to loosen his tie and unbutton his shirt, it is OK with me. I know in the question period he was having some difficulty, apparently, from the comments that were made.

Yesterday, I related the three-year history leading up to this bill and this debate that is going on now and the convolutions that the government went through. I related them in some detail. I documented that what the government had done in bringing in this bill is contrary to what Slater recommended; it is contrary to the statements of the former Minister of Financial Institutions in this Legislature; and it is contrary to the philosophy of the Liberal Party as stated in this House very often by the Premier (Mr. Peterson) and the Treasurer and many other people.

I also mentioned the rejection of the public auto insurance concept without ever examining it, in fact going so far as to refuse to examine that concept at all as an alternative for the people of this province.

Third, I documented the close ties, in fact the actual integration of the insurance election campaign with the Liberal election campaign. I have often heard the comment, and I guess I have viewed that sometimes, that when two individuals or two groups are extremely close, they are in bed together. I want to tell members that those

two groups, the insurance industry and the Liberal Party in the last election, were in bed together in a single bed. That is how close they were together in the last election.

1530

Certainly any objective examination will determine that this bill is here to help the insurance companies, not the motorists of this province. Since I spoke to the members yesterday, we have had some additional documentation in this morning's Toronto Star, which recorded quite prominently the statement the Minister of Financial Institutions made yesterday about the rate increase.

We have comments by Jack Lyndon. Jack Lyndon is the president of the Insurance Bureau of Canada. I guess you could call him the top dog in the insurance industry. He made this comment about the four and a half per cent: "I'd be concerned that some people in the industry may see it as not enough, but I hope those people will hang in there."

The next part is rather interesting. He said: "The rate review board, whether you like it or not, could be a good thing. In the meantime, this increase is at least a token of good faith."

When you have the top man in the insurance industry saying that kind of increase is a token of good faith to the industry, I guess the opposite is true: It is a token of bad faith to the motorists of this province. I am going to go into that a bit later. Even Mr. Lyndon's remark that the rate review board is a good thing is in itself a clear indication that, as Dr. Slater said, it is going to benefit the industry with more profits. It is not going to help the motorists of this province in any way.

I thought it was rather significant, too, that late yesterday afternoon, when the minister read his introductory remarks on second reading into the record, he sent me not only those remarks but also a press release. The second paragraph in his press release, talking about Bill 2, reads: "This legislation constitutes substantial reform for the automobile insurance industry." It is a reform for the industry. I would like to see reform for the motorists, I would like to see reform for the motor vehicle owners, but this is going to provide reform for the industry.

I do not know how many more examples we need to quote to show that this is an industry bill. It is a bill to help the industry, this insurance industry, not the—

Hon. R. F. Nixon: It controls. It controls the rates.

Mr. Swart: Yes, undo your tie and loosen your collar there. He obviously wants me to go over these again.

The member for Wilson Heights (Mr. Kwinter), who was the minister at the time, said that if they had had a rate review board for the past five years, people would be paying eight to 39 per cent more than they are at present. That is helpful to the industry, I would think.

Dr. Slater, in his report, said he could not recommend a rate review board, because at best it is cosmetic and at worst will increase rates. Let the minister read it himself: It is against his philosophy.

Now we have the president of the Insurance Bureau of Canada saying he likes the rate review board, and we have the minister himself saying—of course, a different interpretation can be put on this, but I think the logical interpretation is that this bill is “substantial reform for the automobile insurance industry.” It does not say “for the automobile insurance business.” It is substantial reform for “the industry.”

Well, there are five documents, and pretty substantial documents, that show this is not going to do any good, that in fact it will be beneficial to the automobile insurance industry.

With those remarks I want to get into where I left off yesterday, which, of course, was in the documenting of this extremely close tie, working hand in hand, hand in glove, the Liberal Party and the insurance industry in the last election. As I say, there is no question; we fully documented that.

So the Liberal government here got their great majority. They may think that some part of it was due to the phoney moves they made on the insurance issue before the election and the great support they had from the insurance companies and many brokers—so far the whole insurance industry—during this election campaign.

Hon. R. F. Nixon: We got support from the voters. That is where it counts.

Mr. Swart: Oh, yes, but I have a document here. The insurance brokers in one city, the city of Hamilton, raised \$200,000 for this last election campaign. I suspect that had a bit of bearing in Hamilton, although they did not do so well in Hamilton; but I have the statement about \$200,000. That was, of course, very, very substantial. If the minister would like to keep interjecting on that issue, I would be glad to provide some more documentary evidence on this close tie that they had.

Hon. R. F. Nixon: You are going to provide it, anyway. Give us the whole load.

Mr. Swart: But I want to say to the minister and to those people over on the other side of the House that I doubt very much if those moves they made and even that close tie had much to do with the success in the election. The current Minister of Financial Institutions indicated today, in the answer to my leader’s question, that oh, yes, the Liberal Party had got in that election—that was what they had approved—the auto insurance system, that the Liberal government was defending, protecting and making certain new proposals for their defence and protection.

I doubt very much if that is correct. I think they underestimate the intelligence of the electorate. The electorate knows what they have done. In fact, they got their big majority in spite of what they did or did not do on the auto insurance issue.

A few days after the election—in fact, it was on September 17—Duncan McMonagle of the *Globe and Mail* interviewed some of us on what happened in the election; in particular, he interviewed me about the auto insurance and what effect it had on the election. I suggested to him that I thought we would have probably lost a lot more seats if it had not been for our stand on the auto insurance issue, and that was quoted in his article in the *Globe and Mail*.

Then he talked to the then minister, the member for Wilson Heights, and this is what he had to say: “‘Without car insurance, they’—the New Democratic Party—‘would have fared far worse at the polls, I am convinced of that,’ Monte Kwinter, Minister of Consumer and Commercial Relations and the target of much of the NDP attack, said in an interview yesterday.”

So what the member for Wilson Heights was saying, in effect, was, “The public was unhappy with us.” That is what he was saying. He was saying, “We lost votes to the NDP because of what they had done or had not done on auto insurance.” That is what the minister said. I give him full marks for his honesty in making those comments, and I think they in fact were very objective.

Of course, now they are not going to be able to deliver after this close relationship, even if they wanted to. Even if they could somehow overcome that philosophical block, they still will not be able to deliver the goods of low-cost, fair and efficient public auto insurance—ever. They are too closely tied to the vested interests in the insurance companies.

1540

You know, there is a country song that I heard someplace, probably on my car radio. I do not remember the exact words, but it is something

about some person who had compromised himself, and he said, "You have to pay the fiddler, and today is the first day the instalment is due." That is close to the main theme in it and to one of the verses.

I want to say here today that this Bill 2 is the first instalment. It is the first instalment that the government is paying to the insurance industry for the compromise it made. In fact, now there are two instalments being paid at the same time. The other one was the \$125 million that the Minister of Financial Institutions announced yesterday would be taken out of the pockets of the motorists by a 4.5 per cent increase and put into the pockets of the insurance companies. Yes, two instalments have been paid.

Of course, the rejection by this government of the comprehensive investigation of a comparison of the public plans in the west with the system we have here, that is one of the instalments as well. Oh, yes. They just cannot bring themselves to make that comparison, because, as I said yesterday, if you do make that in-depth comparison, you have to have a report and that report has to be public. Then the people of this province would know the tremendous benefits they could have, the three quarters of a billion dollars a year in savings and all of the discrimination, all of the injustices that could be eliminated.

The motorists of this province in the next few years will come to realize the number and the magnitude of the further instalments that those on that side of the House owe to the insurance industry. Of course, the instalments are not paid by the government. Oh, they are in this bill—that is true—but ultimately, their instalments are all paid by the motorists and the vehicle owners of this province. It is not just the automobile drivers who have the pleasure of driving back and forth to work. It includes the bus companies and the motor coaches in this province; it includes the trucks in this province; it includes the taxis; it includes all kinds of commercial vehicles in this province. They are going to be paying those instalments that this government has to pay now to the insurance industry because of what it did for them in this last election.

I want to say that not only does this bill that we have before us, Bill 2, not do anything to help the motorists, it in fact makes it worse. You know, when we travelled through this province starting a year ago last spring to hear from the people who were suffering the injustices of horrendous rate increases and all kinds of discrimination—my colleague the member for Hamilton Mountain (Mr. Charlton) was one of those who travelled,

and my colleague the member for Sault Ste. Marie (Mr. Morin-Strom) was at some of those hearings—we identified nine major problems in the system that we have in this province.

The first of these is the excessive premiums and the escalating rates. Of course, they are going to be worse under this bill, for a variety of reasons, and I will go into it a little more fully just a little later. One reason a lot of people are going to have rate increases—and there is no question about this—is solely that they do away with age, sex and marital status—if they do. I am not convinced yet that the government is going to do that. In fact, when you read yesterday's—

Mr. J. B. Nixon: Read the bill.

Mr. Swart: Pardon?

Mr. J. B. Nixon: Read the bill; that is what it says.

Mr. Swart: No, it does not say that at all. Maybe the member should read the bill himself.

I know I should ignore interjections, Mr. Speaker, so instead of replying to him, I will just simply say in my speech that anybody who has read the bill knows there is not a word in the bill about the classifications. There is not a word in the bill about doing away with age, sex or marital status. All we have is the word of the government that when these classifications, which are going to be done by order in council—

You have read the bill, Mr. Speaker. You know this, and perhaps even the minister will know that within the bill itself it does not mention a word about doing away with discrimination. There will be an order in council, a regulation at a later date. The Lieutenant Governor in Council will set the classifications; that is what the bill says. I commend to all people in this House that they read the bill so they know in fact what it does say.

I do not know, but if it does—this is the point—there are no savings in what is proposed here. We are not changing the system. There are not going to be any savings. If that money is no longer available from those high rates to young male drivers, if that money is no longer available because of marital status, they have to get it someplace else, and of course, who is going to have to pay? The mature drivers or the young female drivers are going to have their rates raised, and raised substantially, because of this change.

All they are really doing is taking that unfair burden of those excessive rates off the young males and perhaps some in the marital situation, off innocent people, young males who may never have had an accident and are still paying three to

five times the rate of an adult. They are taking that burden off that group of innocent people and putting it on another group of innocent people, the good drivers in the mature age or the young female drivers, simply because the minister will not even consider another system, like the public auto insurance system, which can reduce rates for everybody by 20 or 25 per cent at least. Any study would show that this would be the case.

All they are doing is shifting this unfair burden from one group of innocent people to another group of innocent people. As I say, this extensive system will remain. As the Minister of Financial Institutions well knows, Woods Gordon did an exhaustive study back nine years ago and found out in that study—and it is available to the new members here; I suggest maybe they read it. It was a report on insurance law, I believe. In any event, I have forgotten the name of that report, but people here can get that report; they can read it.

What was it? What was the official name of that report that was done by Woods Gordon?

Hon. R. F. Nixon: It's the Woods Gordon report. You know the one.

Mr. Swart: The minister does not know, either, but it does not really make any difference. The members can easily find out—company law. Yes, it is the first report on company law and it deals with insurance. In fact, there are two volumes of it.

It did a comparison between the western plans and here over the previous five years, and it showed that the total expense of operating the insurance system in Ontario was 41 cents on the premium dollar. Of every premium dollar that came in, they spent 41 cents on expense. In the western plans the average for the three western plans was 21 cents. That saves 20 per cent on the premium dollar; 20 cents on the premium dollar; 20 per cent you could reduce premiums by.

Of course, we have asked for this to be done again but the government will not do it. They do not want those kinds of up-to-date reports floating around. It is dangerous to their case. Mr. Speaker, you will recognize that it is exceedingly dangerous to their case. So we did it ourselves. We contacted Stan Griffin.

1550

Mr. J. B. Nixon: How about Slater who went out there?

Mr. Swart: Mr. Slater did not go out there. He was not empowered by the—I will not interject.

This is another thing: Any thoughtful and reasonable person would think it would be a good

idea to do this comparison. Mr. Slater would have liked to have done the comparison but he was not authorized to do the comparison. Even though there may have been a million bucks spent on it, he was not authorized to do the in-depth comparison. But we have done one and I want to quote the source: Stan Griffin, a researcher at the Insurance Bureau of Canada has provided a detailed breakdown of the numbers presented in IBC's June 4 press release regarding the losses in Ontario's auto insurance industry. They claimed they lost \$330 million.

He provided us with all the details of that. Do the members know what the end result of that is? Out of the premium dollar they receive, they now spend 42.5 cents on expenses, on operating the system. I will even detail that. There are 11.6 cents for commission fees; 11.4 cents for overhead; 9.7 cents for claims adjustment; 6.5 cents for loss reserve development, and 3.3 cent for taxes. That adds up to 42.5 cents that they spend all together on administration.

We have all the details broken down here, and I will be glad to show this to anybody who would like to see it. That is worse than it was 10 years ago. Quite frankly, it is worse because their cost of claim settlements is up. More people are suing them. There is no secret about it. But also there are no inefficiencies in at all, as Slater pointed out.

Then we get the annual reports from British Columbia and from Manitoba. I have them here and, again, anybody can look at them. They are fairly simple to understand. They are for the year 1986. They list all the details there. Do members know what they add up to? In Manitoba, they spend 20.4 cents of every dollar on total expenses compared to the 42.5 cents of the private industry here in Ontario. In British Columbia, with the Insurance Corp. of British Columbia, they spend 20 cents on total costs of operation.

During the last election we had insurance companies saying, and it was repeated by the Liberal candidates all across this province: "Of course, they have to pay taxes here. They do not pay any taxes out in those provinces." I want to tell members that in Ontario it pays slightly higher taxes. It pays 3.3 cents of the premium dollar on taxes. But in Manitoba it is 2.6 cents on taxes, and British Columbia does not levy any premium taxes on either the private or the public sector, whether it is automobile insurance or property insurance. That is the decision the Social Credit government made out there.

Just look at that difference. For Manitoba, it is 20.4 cents out of each dollar; in Ontario, it is 42.5

cents; in British Columbia, it is 20 cents on the dollar. Ontario is 42.5 cents.

I think members might like to know some of the contrasts. This is all the costs of administration of the insurance companies themselves. For instance, in Ontario, it is 11.4 cents on the dollar that they spend. That is what it costs. Of course, you have those buildings here and all the general managers and divisional managers and so on. Do the members know what it is in Manitoba? It is 3.7 cents.

They talk about private enterprise being efficient. A lot of private enterprise is efficient, but surely you have to look at the facts if you want to do an examination. In British Columbia, it is six cents on the dollar, in Manitoba 3.7 cents and in Ontario 11.4 cents. That gives members an idea of efficiency.

Again, in British Columbia, the commissions that they pay for marketing amount to six cents on the dollar. In Manitoba, it is four cents on the dollar. In Ontario, it is 11.6 cents on the dollar.

Hon. R. F. Nixon: Who is this consultant who knows all these numbers?

Mr. Swart: Call Stan Griffin of the Insurance Bureau of Canada. He is a researcher.

Hon. R. F. Nixon: Those are his numbers, are they?

Mr. Swart: Those are his numbers for the private industry here. I have the annual reports and perhaps the minister would like to look those over now.

Mr. Hampton: I dare you.

Mr. Swart: I want them back but I will send them over to the minister.

Hon. R. F. Nixon: Can the histrionics.

Mr. Swart: Histrionics! Damn the facts is what the minister is really saying.

Mrs. Marland: He did not say "damn," he said "can."

Hon. R. F. Nixon: I said "can," not "damn." I would never say "damn" in the House.

The Deputy Speaker: The member is continuously ignoring the interjections, I presume.

Mr. Swart: Yes, I have come to that conclusion, just as you were calling me to order, Mr. Speaker.

Members cannot deny these facts. They are in the annual reports. We get it from researcher Stan Griffin of the Insurance Bureau of Canada. They are factual. They are almost the same now as they were 10 years ago. Yet, even though a layman such as myself can get access to all of these, the government over there that says there are

hundreds of millions of dollars being spent each year on research will not even avail itself of this information. They do not want it, they reject it, it hurts their tastes. People will know too much.

I will go on about these excessive premiums and escalating rates which are really so unnecessary and this whole matter of the effects of eliminating age, sex and marital status discrimination. If one believes what one reads in yesterday's paper from the insurance companies, it is going to be a horrendous increase.

Cliff Fraser, vice-president of the State Farm Mutual Auto Insurance Co., says, "The change will mean a jump of up to 50 per cent for women under 25 years of age and perhaps 10 per cent for drivers 25 and over of both sexes." Mind you, quite frankly, he does not know what he is talking about. He is looking at the case of Montana. In Montana, they did not eliminate the age factor. They eliminated the discrimination bases of sex and marital status, so everybody under 25 there pays the same rate. When the males got a substantial reduction, the females went away up.

I hope when the minister replies he will answer this, because I have some real concerns reading the paper in the last two or three days, because all these insurance companies are indicating in effect that they are going to eliminate the sex, but not the age.

Hon. R. F. Nixon: You may be in favour of eliminating sex.

An hon. member: We are not in favour of eliminating sex.

Hon. Mr. Sorbara: You are in this House, Mel.

Mr. Swart: If we were not in this House, I would say to the member that nature takes its course in time.

They eliminate rates based on sex, age and marital status and, if the minister has read the articles in the paper, several insurance people are saying young females are going to get dramatic increases, much more than any other group. The only way they can do that is if they leave the age category in the rate making and leave the under 25s and balance off between the males and the females.

1600

I do not ask the minister very often to report on something but I hope when he does get up to make his reply on this—or perhaps whoever does make the reply for him—he will assure us that those young females are not going to pick up any more of the load than the average driver, the

average motorist, that in fact he is going to eliminate fully the age factor in the rate setting.

Hon. R. F. Nixon: Up to age 59.

Mr. Swart: Well, the minister will have to keep moving it up a year, I say to him, or he will soon be out of it, if he is not already.

We are going to have this increase which is going to be applied to the rates because of the innocent people having that excess burden taken over by another group of innocent people. That is a large group and they are going to have to pay extra in their rates.

Of course, another reason the rates here are so high, and will continue to be so, is that there is no compulsion that the interest on all the investments be returned to lower the rates. That is law in Manitoba, Saskatchewan and British Columbia. All the insurance companies have huge investments. I am sure all the members know that.

After three years, less than half the money collected three years previously in this province has been paid out in settlements. That money builds up and there is a huge return. Even in the public systems there is a huge return. In fact, in British Columbia last year—it is nice to have the minister come over to this side. If he looks at those financial statements, and I hope he will, there are little pylons there that indicate the breakdown. Perhaps the minister can just look at them.

He will notice in the British Columbia one that the interest on investments last year reduced rates by 18 per cent, and in Manitoba it was just about the same percentage that they were reduced by. But not in the system we have here. In this province they do not have to return that at all. That is a part of their profit, or they can use it for whatever they like.

Of course, the bill we have before us, and it is dangerous, is going to provide for profit, if we can take the word of the member for Wilson Heights for it. Last spring, when he was the Minister of Financial Institutions, he was questioned by the Progressive Conservative leader, I think, at that time, about what he meant when he said he would provide for profit of about three per cent.

The Treasurer (Mr. R. F. Nixon) knows that the insurance industry of Ontario said it lost \$330 million last year. They say the year before they lost over \$500 million. This is exactly what the then Minister of Financial Institutions meant when he said that if he had had a rate review board in place—and the rate review board in this

bill provides for a reasonable return—then it would have had to move the rates up.

The minister was right. Anybody who looks into it knows he is right. He said that if we had had this rate review bill over the last five years, the motorists would now be paying from eight to 39 per cent more. That is what this bill is going to do. Let us move on from that. I think it is perfectly clear that this bill is going to increase rates and is going to help the insurance companies.

The second thing we found when we went around was the arbitrary cancellation or refusal to renew insurance. Companies at the present time can just cancel insurance whenever they feel like it. Cancel insurance, give a refund. There is no law against that. And do you know what, Mr. Speaker? This bill does not have anything in it either that prevents that from taking place. They still will be able to cancel insurance whenever they like.

Let us all look at the scenario of what would take place if they abolish age, sex and marital status. There is nothing here that says insurance companies have to write a certain percentage of the business for the higher risks; nothing in here. If an 18-year-old male in his category is three times as great a risk as a male who is 40, do members think insurance companies are going to voluntarily write his insurance? Of course, they will not.

There will not be a young male in this province who will not have to go to the Facility Association to get his insurance. They are not going to write high-risk policies; they will only write low-risk policies. There is nothing to say they have to write the high risks. How are we going to handle that one, Minister of Financial Institutions?

Hon. R. F. Nixon: Address the chair.

Mr. Swart: Through you, Mr. Speaker, how is the minister going to handle that situation in this bill?

Hon. R. F. Nixon: Rate regulations.

Mr. Swart: Rate regulations. In other words, we are going to establish a category for those. But what is going to prevent an insurance company refusing if a young man—for example, my grandson, who is 18 years old—walks in and says he wants insurance? “You are 18 years old? No, I am sorry. We do not write insurance for 18-year-olds.”

Where does he go? He goes to another insurance company: “We do not want those either.” So where do they get their insurance? They go to the Facility Association to get their

insurance, and they will all end up there. We will have the situation existing that there will be arbitrary cancellation; there will be refusal to renew if the insurance companies think someone is a bad risk. They will not accept any new bad risks. That is what the situation will be.

We found all kinds of discriminatory rate increases applied for really frivolous reasons. In Welland, almost two years ago now, there was a hailstorm that had hailstones as big as baseballs that went through one part of that city. It smashed the windows in the homes, dented the aluminum siding, dented the cars and even smashed some windshields on cars.

I had at least 25 people come into my office to tell me they had their insurance cancelled because of the claim they put in for the hailstorm damage. Some of them had some other damages as well; some of them had lost points. But it was the hailstorm and the damage caused by it which made the insurance companies cancel their insurance.

There is nothing in this bill which addresses that problem at all. I suppose the regulations could possibly address that, but the bill itself does not address that problem at all.

Hon. R. F. Nixon: There are regulatory powers in the bill.

Mr. Swart: I want to see that. The regulatory powers, as we well know, will be the essence of this bill. In this party, we are not going to accept a bill whose whole essence is left in the hands of the government. The way they have handled it to this date, we are not going to accept that kind of bill. There is nothing in the bill to cover those at all.

All drivers in the household penalized because of one driver's record: We had all kinds of people come to our hearings to talk about this. The bill per se does not address that problem either.

Good young male drivers, good records, victimized by rates three or four times the average: The bill does not address this. Again, of course, classification may, but why do we not have it in the bill? If we really believe there should not be discrimination on those grounds, why do we not put it in the bill? Why do we not do it in this Legislature? That is where it should be done.

I know when the Liberals were in opposition, when they were on this side of the House, they used to complain about the Conservative government on that side and the bills leaving too much to regulation. I think the members remember that. Here is a bill that has no meaning without the classifications.

1610

Hon. Mr. Nixon: The purpose of the bill is to establish the board.

Mr. Swart: The board does what, if we do not have classifications?

Hon. R. F. Nixon: Independent regulation of public rates.

Mr. Swart: The board does nothing. The duty of the board is to establish rates for the different classifications. If we do not have any classifications, it has nothing to do.

The Deputy Speaker: A point of order?

Hon. Mr. Nixon: I hesitate to interrupt the honourable member. In a sense, it is a point of order.

Some of the honourable members feel it would be out of order if the minister were not in his place to hear all the remarks made by the honourable members who want to contribute to the debate. I just want to tell the member and anybody else in this throng who is interested that I have to return to my office briefly and I shall return.

Mr. Swart: It is going to make it difficult. It does not matter what you are doing, you have to have a target.

Hon. R. F. Nixon: There are always your colleagues in the party. There are three of them here.

Mr. Swart: Somehow or other, we will continue.

I want to say, very seriously, because we are going to be moving this when this bill gets into committee: if you really believe this, you put it in the bill. If you really believe rates should not be based on age, sex or marital status, you put it in the bill. You do not leave all those details to be done by regulation. So that is what we will be doing when the bill gets to committee, whenever it does: I understand we have six or seven more speakers on this side who want to speak for as long as I am. Is that not right?

Another thing we found as we did this tour, and the members will all be aware of this because I raised it in the House a number of times, was the growing number of people driving without insurance. Two years ago this past fall, the Insurance Corp. of British Columbia was doing a survey in all of North America on the number of people in various jurisdictions who were driving without insurance. The Liberal government notified ICBC at that time that there were an estimated 185,000 people—granted, estimated—driving without insurance on the roads of this province. What does this bill do to resolve that

problem? That is a major problem. It does nothing at all.

Before I leave that issue, I should say that when compulsory insurance is left in private hands, there is simply no way of enforcing it. If there was a way, the Liberals would have done it. The Conservatives before them would have done it. You cannot enforce it.

You have all those people driving without insurance. If there were 185,000 driving two years ago without insurance, I want to say there are a lot more than that now. A number of people have called me and told me anonymously they had a bad accident or a careless driving charge, and they said: "I have no assets. I have nothing to lose. I am going to drive without insurance."

You can say there is the unsatisfied judgement fund that people can sue if somebody runs into them, but I think anybody who has had dealings with that knows the difficulty of collecting from it.

It is a very bad thing to have 200,000 people on the roads of this province who are driving without insurance. This bill does nothing at all for that.

Because Ontario's no-fault coverage is extremely limited, there are long delays in compensation and unfair settlements to accident victims. There are about 179 insurance companies now selling insurance in this province, and they are spending their time and the motorists' premiums fighting each other to see who should pay or who should not pay. So there are all these great delays for many of the people in Ontario in getting any settlement. As I have already said, in the claims paid out there is, on average, a waiting period of three years from the time of the accident. That is in dollar terms; I want to make that clear. Of course, by and large, the more money involved in the settlement, the longer it takes to settle it; and in dollar terms it takes an average of three years.

Do you know what I could never understand? New drivers of any age being charged prohibitive premiums. The bill does not do anything about that.

I have—I do not think she would mind me saying so—an assistant by the name of Fran Bates who is in her mid-forties. Fran had never owned a car or had never had a driver's licence until about two years ago now. She decided that she had the money and she wanted to have a car. She went out and she bought a late-model small car. She took her test, passed her test, got her driver's licence and went out to get insurance. On that small car, because there is a double whammy

against her, she was a new driver and she was a new car owner—and she checked with 20 different brokers—she had to pay \$2,640 for her insurance for one year. She has never had an accident, never had a scrape since then.

Mr. Callahan: She was driving you around.

Mr. Swart: No, I want to say it is likely the same in my office as it is in the member's office. We drive them around, sometimes I think almost around the bend.

This is typical of the kinds of injustices that exist, and there is nothing in the bill to correct this. There may be in the regulations again, but there is nothing in the bill at all to correct that situation.

Do you know another interesting thing? Breaks in coverage: if you have a year's break—or as we have had in committee an example of about three-months' break in coverage—if you sell your car and you do not get another car for a year, then you have to pay 40 per cent more in your rates because you had that break in coverage.

I had the classic example, I guess, of a man here in Toronto who worked out in Alberta and the economy collapsed out there. He came back here. He sold his house out there, he sold his car. He came back to Toronto and this man got a job driving a van, a delivery truck, and he drove the delivery truck here for one year. He had no accidents, he had a perfect record while he was driving here that year. Then he went and bought a car and went to get his insurance, and he had to pay 40 per cent more because he had that break in coverage. Even though he had been driving a delivery truck and had a perfect record doing it, he had to pay 40 per cent more. That is the kind of justice we have in this system.

Of course, the final one that we found was inadequate compensation. We have here in this province very little in the way of no-fault coverage. Actually, unless they have some sort of voluntary coverage elsewhere, only about 40 per cent of the people are adequately covered if they are involved in accidents—only about 40 per cent. We saw a lot of those people when we went around this province. If it was a one-car accident and they had a fairly serious injury, if they did not have compensation on the job they got \$140 a week. You know how far that goes in today's society. They could have taken out more accident coverage, of course, but there is no guaranteed coverage for those people.

1620

Let us make it clear that all these problems that exist—as I say, we documented these nine or 10 when we went around at these public hearings—

are solely the fault of this government and the insurers in this province. Over these last years, there has been nobody else involved. Only two groups had control, and the Conservative government before, and this one, largely kept hands off the insurance companies. These injustices did not just happen. The insurance companies applied them against these innocent victims. That was insurance company policy; all the insurance companies. That was their policy and the government did nothing to intervene to prevent it, although it had the power to do so. Let us make that perfectly clear.

The situation we have in this province today—there is not a person in this province, including the insurance companies which admitted all these things about six or nine months ago when an election was imminent and said: "Trust us. We've reformed." The Co-operators came out with a great big ad that said, "We're going to do all these things now that we haven't done before." They have applied these injustices and they have applied these excessive rates. The government of Ontario in fact has been a party to it.

Now this government says: "Trust them. They are going to resolve it." The Minister of Financial Institutions speaks very warmly about these insurance companies. To go on with this bill and to go on with these insurance companies is something like a battered wife going back for more; but here it is not the battered public that is returning for more, it is that government over there that is sending those battered motorists back for more. That is what this bill is all about.

All of these problems, every one of these problems, simply do not exist in the three western provinces that have had public auto insurance systems. For instance, excessive rates: in BC, the rates are \$482 now. Again, we have no less a person than the president of the Insurance Bureau of Canada who said he could not find fault with these rates which had been developed. In Manitoba, it is \$405; in Saskatchewan, \$251; and in Ontario, the average rate is about \$640. It was that until yesterday. The first of the year it will be about \$665. Ontario's rates are one third higher than the highest of all of those western provinces.

Every study that has been made, except by the Fraser Institute and the insurance industry itself, verifies these kinds of contrasts between the rates out there and the rates in Ontario. Under the driver-owned public system, everyone saves. Everyone could have a reduction in rates and these burdens would not just be shifted from one

innocent group to another, as they are in this province.

Let me just deal with these same 10 problems that we found. Artificial cancellation of rates: all kinds of people complaining about their insurance being cancelled. That does not happen in any of those provinces. The only time you lose your insurance is if you do not pay for it or if you build up the points and lose your driver's licence. That is the only way you lose it. There is no other way of losing your insurance out there. The insurance company there never cancels it unless you lose your driver's licence; then it is cancelled and your driver's licence is cancelled.

What about the discriminatory rates for frivolous reasons, like the hailstorm I mentioned? It does not happen out there. The rates they pay are based on their driving record and nothing else. They have got to lose points for speeding or being involved in accidents where they are at fault before they pay penalty rates. They have to prove they are a bad driver before they pay penalty rates and then they pay it on their driver's licence, they do not pay it on their car. The car is not at fault, as a rule; it is the driver. It is applied, and they can pay in Manitoba, just before they lose their points they may be paying \$600 extra for their driver's licence, but the rate on the car is the same. There is no arbitrary cancellation for frivolous reasons; such as all drivers penalized for one driver's record, as they are here in Ontario, where because a woman's husband happens to be a bad driver the woman will have to pay a lot more.

I was on a hotline show up in the town near Kenora, just east of Kenora; in any event, I was on a hotline show up there. A man came on the show. He gave his name—I guess he was legitimate, I never met him before and I had never seen him—he came on the show to tell me that he had lived in Winnipeg for 20 years and he had decided to come down there because he wanted to get a job in the paper mill there at that time, so he had moved—

Mr. Charlton: Dryden.

Mr. Swart: —to the town of Dryden. He wanted to get a job in the paper mill there so he had moved down.

When he left Manitoba this man was paying \$325 for the insurance on his car, and his wife was paying \$275. Last year, before he left Winnipeg, and some months before he left Winnipeg, one night, he told me on the call-in show, he had too much to drink so when he got out on the road he decided he should not drive. He pulled well off to the side of the road, took the

keys out of his car, put them in his pocket and went to sleep.

The police came along. He ended up being charged with impaired driving. He was convicted of impaired driving, as he should have been. I am not arguing that he should not have been convicted of impaired driving. I think he lost his licence for three months but then he had to pay an extra \$375 or something of that nature on his driver's licence when he went back driving again. He appealed it. I must tell this whole story. They have a board out there. If you think there is an injustice, you go to that board. The board listened to him and because he had pulled the keys out of his car and had them in his pocket, and his car was well off the road, it said, "Well, your insurance should not be increased," so they dropped it down to the \$325.

He came down to Dryden, and he told me on the phone he went to get his insurance, and they checked the record. He had to pay \$2,600 for his insurance in Dryden; but that was not all. His wife went to get insurance too, and because he had that record out in Manitoba on his driver's licence, she had to pay \$1,400; up from \$275 to \$1,400 because she was the spouse of a person who had an impaired driving charge.

It does not happen in those western provinces. The person pays on their own record. Is there not something fair about that? Do members not really think that a person should be innocent until they are proven guilty themselves? Is that not the kind of justice we want here? But under the insurance system we have, you are guilty if some other member of your family is guilty, you are guilty too and you have to pay the price.

Young male drivers are penalized three to five times the rates of older drivers; that does not happen out there. Once again, it is on their record and they have to prove they are a bad driver before they pay the extra.

Growing numbers of people are driving without insurance, the fault we found here, and that does not happen out there. They get their insurance with the plates for their car, and if they have up-to-date plates on their car, they have insurance; so nobody is driving there without insurance. Does that not make a lot of sense? It really does make a lot of sense. That is what they can do under a public driver-owned plan such as they have in those western provinces.

1630

Long delays in settlements and unfair settlements: I cannot tell members that the settlements out there are vastly quicker than they are here, although the Toronto Star did an investigation of

Saskatchewan back about 10 years ago and found that the average time of settlement was half of what it was here. That is logical. You do not have insurance companies fighting each other. You have one insurance company.

It was rather interesting that the Co-operators, in the last election, put out a statement to all of its members—and I have it here—talking about no-fault, because they have a much larger degree of no-fault in Manitoba than we have here. I would like to read this, because it is just indicative of the total distortion—yes, Madam Speaker, lies—put out by the insurance company in the last election. I want to quote from the Co-operators:

"These plans"—and they are talking about the western plans—"are not no-fault to any greater extent than Ontario. They operate under the same system of law as does Ontario, and all accidents are subject to tort law." So far, that last sentence is true; the previous one is not. Then they say this: "Injured persons there have access to no-fault benefits but in no case are the no-fault benefits greater than the accident benefits available to Ontario motorists under this section of their policy."

We know what they pay here: \$140 is the maximum you can get if you are injured and cannot work. Do members know what it is in Manitoba? It is not adequate, but it is \$300. I always thought \$300 was more than \$140.

Out there in Manitoba, death benefits are two and a half times as much. Do members know what the rehabilitation is out there now? It is \$100,000 on no-fault rehabilitation to a person injured in an accident. Do members know what it is here? It is \$20,000. I always thought \$100,000 was more than \$20,000, but I guess not, according to the Co-operators, which was leading the fight against public auto insurance. They say not. There are all kinds of other benefits that are greater out there as well, although they are not adequate out there. We are going to be taking a look at no-fault here in the not-too-distant future.

Are new drivers of any age charged prohibitive premiums, such as I was saying about my legislative assistant here at Queen's Park? No. It is all based on your record. It does not matter whether you are a new car owner or a new driver. It does not matter whether you are 18, 38, 58 or 78. You will pay the same rate unless you have a bad record.

Are there breaks in coverage for an automobile if you do not have coverage, if you sell your car

and do not have it for a year? Of course not; there are no penalties paid out there.

Inadequate compensation? It is better out there than here because of the higher no-fault and the fairer settlements they have.

Even these comparisons do not tell us how bad the proposed system in this bill is or will be. What is it going to cost to operate the review board we are going to get? What is it going to cost the people of Ontario? If, as the legislation provides, it is perhaps charged to the insurance companies, what is it going to cost? I bet it will cost \$1 million a year, maybe \$2 million, maybe \$5 million, to operate this so-called rate review board.

What about the time spent on the hearings? How are they going to investigate 179 hearings? My assistant spoke to the Ontario Energy Board, which of course does the hearings on Ontario Hydro and Consumers' Gas, Union Gas and Inter-City Gas. They tell me that each one of those hearings that they have for each of those companies takes 20 to 25 hearing days, or four to six weeks that the board is involved in those.

We have 179 companies in Ontario selling auto insurance. What does it mean? It means, of course, that they will do only a very skimpy investigation or they will have to have several boards sitting all the time to be dealing with the applications for increases. That is what it means.

It is going to be more difficult to find out the profit of most of the auto insurance companies than that of Consumers' Gas or Ontario Hydro because they sell two or three kinds of insurance. They sell property insurance and liability insurance, and all the money goes into a pool and it is invested. How are they going to find those things out? It is going to be much more difficult in 179 of those.

What about the availability of the statistics on which you are going to base this? Do members know the last year for which the superintendent of insurance now has a report? Would anybody here like to guess? I have called, I suppose, or my staff has called 10 times in the last six months to try to find when the report is going to be out for the year 1985. The last report the superintendent of insurance has out with all the statistics in it is for 1984. Are we going to be dealing with information that is three years old in setting the rates next year? If you follow the pattern of the superintendent of insurance, that is what you will be doing. That is a great system, is it not? Boy, that will really be effective.

What about the conduct of the hearings that are going to take place? At the present time in

Ontario there is no funding for the consumer groups that take part in these hearings. So when you come to a hearing on Consumers' Gas, for instance—I have been there several times myself. In fact, I can say that in one of the reports they made on cutting down the gas rates, they gave the bulk of the credit to the NDP right in the written report. I am sure the person who wrote that report is not there any more, but they did. And we spent a day there. Of course, we had spent days trying to get evidence.

At these hearings, it does not matter whether it is Bell Canada, whether it is Ontario Hydro or whether it is Consumers' Gas, you will have hordes of people there for the company. They can afford it. They have a lot at stake. Bell Canada said that one time. They spent \$2 million on a hearing. And they said, "We can't afford to be cheap." They have a lot at stake, and who will be there opposing them? Some consumers' association? Sure, doing a good job. How can they afford to spend a whole year, every year, at these hearings?

There will be only one side heard. In fact, Dr. Slater stated that in his report. He said that is one of the problems with these rate review boards, as it is in the United States where they have them. The board hears only one side, yet there is nothing in this bill to fund the consumer side—nothing at all.

So when they go to the board they will get what they want, because the board will probably be in sympathy with them in the first place; but even if it is not, if it is trying to be impartial, it is going to hear only one side of it.

I say simply, it will be a bureaucratic nightmare with no improvement in rates and only modest improvement in fairness if age, sex and marital status discrimination is limited; and as I already said, that is not included in this bill.

When this bill gets to committee—and I realize the situation within this House: the government can do as it likes with these kinds of things. If they want it to go to committee, it will get to committee. It will not be defeated here, of course. Even though we will vote against it, it is not going to be defeated here.

We will try to see to it that this bill really is not a total farce. We will be moving amendments at the appropriate time. One of these amendments will provide for the act to be an interim measure to deal with rates until a publicly run automobile insurance system is established in this province.

We will move to disallow rate classifications based on age, gender, marital status, the driving or claims record of other members of the

insured's household or family and breaks in coverage. We will move to put that in the bill, where it should be, instead of leaving it to regulations, which can be changed any time at the whim of a minister or of cabinet.

1640

We will ensure that no one pays more for insurance in 1987 than in 1986, unless there has been a change in classification; they must provide rebates where appropriate. We will move to establish funding and standing for groups representing consumers. And we will move to provide for a 90-day notice of an insurer's intention to make changes in coverage or premiums, or to cancel or not renew, with written reasons; and further, to allow appeals of such actions to the board.

As I say, we know what the odds are in getting these amendments passed. The Minister of Labour (Mr. Sorbara) made the government's position, I guess, about as clear as crystal when he arrogantly said the other day—if I remember correctly, it was Monday of this week in answer to my leader's question on how he could explain presiding over a Worker's Compensation Board that ends up cutting down, cutting back and hurting workers who are injured; do the members remember the minister's answer? "By virtue of the fact that we elected 95 members." That was his answer to that. I want to say that the Liberal government is going to come to regret that statement—make no mistake about it—because it is arrogant.

Before I finish, I want to remind the House of the statement made by the Minister of Financial Institutions when he tabled Bill 2 in the House, and I quote: "I would like to remind the members that in a system where automobile insurance is mandatory, government has a duty to ensure that consumers receive fair coverage at a fair price."

That was a statement he made on November 4. This is the same minister who refuses to investigate the alternative, the public insurance plan; the same minister making that kind of statement in this House that he has an obligation, a duty, to ensure that consumers receive fair coverage and at a fair price. Yet he refuses to investigate what all the Liberals and the Conservatives and the Social Credits in Manitoba, Saskatchewan and British Columbia say are excellent plans, far superior to the private system. All the Liberals and Conservative say that out there.

Well, I want to say that this Liberal government will come to regret that statement, too,

because it is hypocritical, and some day it will be called upon to live up to it.

I want to say the day has passed that the government can fool the motorists about the vastly superior plans in the west, even though it will not do the independent and full comparison and issue a public report. There are too many people who have lived in Saskatchewan, Manitoba and British Columbia or visited there and are telling their friends here about that kind of insurance.

I was sitting in my office at noon today and I had a phone call. It was a woman. She said: "I saw you on television the other night talking about insurance." She said: "You know what is wrong with you people in the NDP, as I see it? You do not do enough comparison with those western plans." She said: "We lived in Manitoba all our lives. We just moved down here a little while ago. I am paying three times as much for my insurance as I was when I was out in Winnipeg."

I said to her: "Well, I know. We try to do the best we can but, of course, we have got a Liberal government that will not even investigate these sorts of things." They know, too, how superior these plans are. That is, of course, why they will not investigate it and make a report. So I said: "I occasionally raise cases in the House. How would you like to drop me a letter and give me the exact facts and details?" So members will see me up here in the House reading a letter from that woman in the next few days, as soon as I get that letter.

Yes, there are an awful lot of people who know about the benefits of these public plans in the west, and the government is not going to fool them. There are more and more people who know about it. The government takes polls, too. It knows that the percentage of people in this province who support public auto insurance has gone up from something like 33 per cent to over 50 per cent in just two years' time. I tell members, it is going to spread.

Most people know that those western auto insurance plans were all initiated by the New Democratic Party. Most people know that. Everybody knows they were initiated by the NDP over violent opposition from the Liberals, the Conservatives, the Social Credit and the insurance industries in those provinces. They have proved so successful that successive Liberal and Conservative governments have not only kept them but praised them.

As I said in this House yesterday, Mr. Vander Zalm, the Premier of British Columbia, further to

the right, I guess, than any other Premier in this whole nation, said he was going to sell off all the public institutions. He even said he would sell off the Legislative Building, but he is not selling off the public auto insurance. He knows what would happen in the next election.

Driver-owned public insurance is similar to medicare. In the west, in Saskatchewan, when the NDP proposed to initiate medicare there, the Liberals and Conservatives fought viciously against it. There was a picture in all the papers of Ross Thatcher, then the Liberal Leader of the Opposition, kicking the door of the Legislature so he could get it open to rescind that horrible medicare bill the NDP had passed. Do members remember that? There was strenuous opposition, along with the doctors and the insurance companies.

Where do the Liberals stand now on medicare? Are they in favour of it? Where do they stand? They had it forced on them. They fought against it and they had it forced on them here in this province and in the rest of the provinces across this nation because the polls showed 65 or 70 or 75 per cent of the people in this nation wanted medicare. They put it in reluctantly. I remember. I think it was the Conservative leader, Mr. Robarts, who said, "They will get medicare in this province over my dead body." We got it in this province. We got it because it was right. Those people either support it now or do not have the courage to say they do not.

It is the same with public auto insurance in those western provinces. The Liberals and Conservatives do not campaign against it out there. They do not say a word against it, because they know how well it operates and they know how much the people want it, just as with medicare.

I say the same thing is going to happen in this province with regard to public auto insurance because it is right and because it is popular. Those folks over there will only hold back the tide so long, and then they will either bring it in or they will be told by the voters of this province to move out and let this party, as the government, bring it in. Oh, they will laugh at that one, but mark my words: They will remember it if they do not bring it in.

Progress is well under way. Did members read the report in the *Toronto Star* this morning about what the Consumers' Association of Canada spokesman said? It says: "There's a very strong possibility' that it will take a stand in support of public auto insurance for Ontario. British Columbia, Manitoba and Saskatchewan already

have government-run auto insurance and the association has found consumers are very satisfied with it, Delaney said." That is part of the move.

I also have a letter here, if I can find it, from a municipality that has passed a motion calling on the government to investigate public auto insurance: the corporation of the town of Onaping Falls. They address this to the deputy clerk of the town of Valley East; that is a pretty good-sized place, the town of Valley East.

1650

"In response to your letter of October 23, 1987, this is to advise that the following resolution was passed at a council meeting held November 4, 1987: 'That the letter from the town of Valley East seeking support to solicit the provincial government to investigate and conduct a feasibility study of government-controlled auto insurance policies in order to implement reduced reasonable rates for all ages be received and endorsed. Further, that a copy be sent to Mr. Floyd Laughren, MPP, and the Association of Municipalities of Ontario.'"

The member for Nickel Belt (Mr. Laughren) does not need it. It is those people over there who need it. He has been convinced for 20 years.

What I want to say to the members here today is that they should make no mistake about it: we in this party are going to keep up this battle for a public auto insurance system. I suppose that if anything would convince us we should, it would have to be the action of the Minister of Financial Institutions last evening.

I talked to a reporter today. He said, "They deliberately tried to hide that statement about the 4.5 per cent increase in the middle of the minister's opening statement on debating second reading of Bill 2." He said, "I did not find that out until 10 o'clock." A statement like that takes \$125 million more out of the pockets of the motorists and puts it in the insurance companies' pockets and the minister does not even make a statement in the House. He hides it in the debate on Bill 2. He is ashamed of it; of course he is ashamed of it, that is why he did not make that statement here in this House.

Perhaps I will be asking this question of the minister before too long: what study did he do to ensure that the insurance companies needed this \$125 million extra? After all, the insurance companies' profits for 1986, casualty and property insurers—and as the members know, auto insurance is the big one—were over \$1 billion. That was one third more than they had ever made in their history. Then in the first two quarters of

this year their profit was up another 52 per cent: \$765 million net profit in the first six months of this year.

We have a situation where the insurance companies increased their rates at will until April 23.

Mr. Haggerty: My company did not do that.

Mr. Swart: His company may not. There are some companies that may be a little selective where they increase rates. They might not be so apt to increase rates to their close friends who have helped them out so much in recent months. But the average increase was six or seven per cent during the first four months of this year. Now they are given another 4.5 per cent. That is over 10 per cent. Why did they get that money? Was there some study that showed they were about to go broke?

Mr. Haggerty: Are you against farmers' mutual insurance?

Mr. Swart: I am for insurance where the people control their insurance system, where they decide they do not want discrimination and where they decide they are only going to pay reasonable rates for their insurance. That is the kind of insurance I want.

Here we have this new addition which certainly adds incentive for us to keep up the fight.

The critic for the Conservative Party likes to raise the issue in this House that somehow or other those western plans this coming year are going to have a 22 per cent increase in British Columbia—

Mr. Haggerty: So the papers say.

Mr. Swart: We do not know yet. The papers said 25, but it is going to be less than that in Manitoba; 10 per cent in Saskatchewan. After you add those all in, the average rate in BC, which has the highest rates, is still 38 per cent below what we have here.

In the last six years, the increase in rates in British Columbia has been 35 per cent. The increase in rates in Manitoba has been 37 per cent; that is including these raises. The increase in rates in Saskatchewan has been six per cent over six years, or one per cent a year. Quite frankly, you cannot compare Saskatchewan totally with here. But over the last six years, the increases in Ontario have been between 65 and 70 per cent: a 65 to 70 per cent increase here, while out there, including the new rate increases, it is 35 per cent. Anybody who does an examination knows the real difference.

I want to say that this noncaring government is going to pay the price of putting the giant private insurance companies ahead of the motorists. They come first. It is going to pay the price of a bill that only shifts burdens from one group of innocent people to another group. It is going to pay the price for stealing \$750 million annually out of the pockets of the motorists to preserve its insurance friends and their insurance system in this province.

We are voting against this bill because the government puts forward this bill as being the full answer to the auto insurance problems in this province. Even the minister knows that it is not going to be successful in any way in protecting the motorists of this province from increased rates. It is a hoax. We will not be part of a hoax. This bill deserves to be defeated and replaced by one providing a driver-owned public system for Ontario.

Mr. J. B. Nixon: I will be speaking later during this debate, but I just wanted to make the comment and remind the House and the member for Welland-Thorold (Mr. Swart) of what occurred on May 6, 1986, when the then Minister of Financial Institutions tabled the Slater report, which my friend has referred to. He said, among other things: "The Slater report, if implemented, will make some improvements to the present system, but overall it is a pathetic answer to a horrendous problem."

So I find it passing strange indeed that he now tells us to listen to the counsel and advice of Dr. Slater. I will do that and remind my friend of what Dr. Slater said in recommendation D-41: "The government of Ontario should NOT"—in big capital letters—"establish at this time a government insurance corporation to deliver auto insurance services." So, indeed, we listen.

1700

Mr. Fleet: The lengthy oration by the member for Welland-Thorold is such that we cannot reply to every distortion and misstatement of fact that he set out in a mere two minutes. I would like to say, though, that some of the suggestions he made are more than passing strange indeed. He complained because in the Slater report the insurance companies did not have enough data. Now, even though there is a lack of data, admittedly, as far as I can determine from the member, he is sure he knows the solution.

I recall during the election the way his honourable leader dealt with data. His leader came to the riding of High Park-Swansea and dealt with an auto dealership. I am sure all members here will remember that; it was in the

headlines. They were trumpeting all the complaints. It turned out that the New Democratic Party could not even bother to collect the facts, which the insurance company then supplied the following day.

It is not so much whether they want to prefer one side or the other but whether they even want to listen to both sides. If they do not listen to both sides, they are never going to understand this. The reality was that the NDP had its facts wrong then and it has done it again today. They are not interested in fairness; their ideological bias precludes them even hearing both sides of the argument.

Mr. Polsinelli: I would like to compliment the member for Welland-Thorold, a member of the New Democratic Party, for his eloquent, verbose, yet contradictory speech.

I was listening to some of the things the member was saying, and at one point in his dissertation he indicated that his party would be proposing an amendment to the bill, that amendment being that this would be an interim measure until we could bring in a publicly run auto insurance plan. That implies there is something good in this bill. Why would he introduce an amendment if this were an interim measure until we could bring in a publicly run program, if there was not something good in this bill?

Yet at the end he tells us he is not going to vote for it. He should make up his mind. Is it a good bill or is it a bad bill? If it is a good bill, if the government is not prepared to bring in a publicly run program, he should support it because it deals somewhat with the problem. If it is not a good bill, he should not be introducing amendments.

Mr. Laughren: I wanted to congratulate the member for High Park-Swansea (Mr. Fleet), who is just about to take his seat, for clarifying any ideological questions that might still be left hanging out there about where the Liberal Party stands on this bill and on this issue.

Mr. Hampton: Foursquare with the insurance companies.

Mr. Laughren: Yes. The member for High Park-Swansea, when challenging my colleague the member for Welland-Thorold on some of his numbers, said that it did not take long, when the NDP came out with its numbers during the election campaign, for the insurance industry to make the corrections.

I am assuming the member for High Park-Swansea is assuming that the numbers the insurance industry gave to correct my colleague the member for Welland-Thorold were the

correct numbers. I assume that is what the member for High Park-Swansea is assuming. It is very strange when a government, in challenging an opposition member on numbers, simply accepts the industry numbers.

In conclusion, Madam Speaker, I know you would join with me in congratulating my colleague the member for Welland-Thorold for one of the finest speeches we have heard in this chamber for many a day.

Mrs. Marland: My purpose in rising today is to make a statement which certainly goes across party lines, and that is to very sincerely commend the member for Welland-Thorold. I have had the privilege of sitting in this House for only two and a half years at this point, but I have a great deal of respect for the few members who are able to be so spontaneously articulate and compassionately committed to their point of view.

Although, of course, I philosophically do not share the content of most of the comments by the member for Welland-Thorold, I do respect very much his sincerity and his very professional delivery. He dealt in his delivery in the past two days with a lot of interjections, and I know that is difficult when you are sincerely committed to the point of view and the opinion you are trying to present in this Legislature. His esteem and his representation on behalf of those people whom he serves in this Legislature, I certainly wish to commend and regard very highly.

The Acting Speaker (Miss Roberts): Does the member for Welland-Thorold wish to reply?

Mr. Swart: Yes, I do. I thought I saw a member rising over there.

Mr. Laughren: How long does he have?

The Acting Speaker: I guess there is no time left. There were five speakers, I believe.

Mr. Swart: I will be very short.

The Acting Speaker: The member has two minutes.

Mr. Swart: Yes, I know. I will not use any more than that.

My colleague on the left here—forgive me, I have not got all the ridings straight—my colleague physically on my left said the Slater report was pathetic. Basically, I agree with that statement myself. Any report that does not recommend public auto insurance is pathetic, is not done properly.

To the comment of my friend over here who talks about the rates, refuting our rates, I ask whether he knows the rates we put out. I have it in writing. Does he know what Jack Lyndon, the president of the Insurance Bureau of Canada,

said? He says, "Those rates seem about right to me; I cannot argue with them." Those were our rates we were using.

What higher authority could the member get than that? I might get a higher authority, but the president of the Insurance Bureau of Canada, certainly one of their gods, says that. They must be willing to accept that.

The member talks about a contradictory speech. Well, I do not think anybody can call my speech contradictory. There was one theme all the way through it. Do the members want me to tell them what it is?

Interjections.

Mr. Swart: Then they say we have to vote against it and we cannot move amendments. I want to say that even though that bill is no good, if they adopt our amendments it will be a much better bill. I know who runs this Legislature, and I say to you, if we get those through in committee, we will have a better bill than what those people brought in.

Mr. Charlton: It gives me pleasure to rise in this debate following my colleague the member for Welland-Thorold. I do not know, Madam Speaker, if you have watched the process, and you probably have over the last few weeks, of speeches and then comments that follow the speeches—the comments and questions. I think you should probably take note of the fact that when a speech says little or nothing of significance there are very rarely any comments or questions. I would judge by the number of Liberal puppets who were jumping up like fleas this afternoon to comment on my colleague's speech that there was a great deal of significance said over the course of the last two days.

Mr. Callahan: There won't be any questions of you.

Mr. Charlton: I hope not. I do not take pride in having fleas jump up to make comments about me.

Interjections.

The Acting Speaker: Order.

Mr. Charlton: Earlier, we had the member for High Park-Swansea, during the course of my colleague's speech, when he was making remarks to the Treasurer about the fact that there was nothing in this bill—all the guts were going to be in the regulations, the Treasurer kept saying; and I challenge the Treasurer to table the regulations, because that is the only way this Legislature can effectively deal with what this legislation is all about—the member for High Park-Swansea made some comment that if the

regulations were not adequate we could deal with them in the standing committee on regulations and private bills.

I would suggest that the member for High Park-Swansea should take some time to learn just a little bit about how this place operates around here. The regulations and private bills committee has no authority to do anything to fix bad regulations that come out of the executive council. The committee has the authority to look at regulations—

1710

Mr. Fleet: On a point of order, Madam Speaker: In fact, the standing orders indicate what the regulations committee has the power to do and both the member for Welland-Thorold and myself sit on that committee. In the circumstances, it can rule on regulations and report to this body. It is a mischaracterization, with the greatest of respect to the honourable member speaking, to say that the committee does not have the power.

The Acting Speaker: That is not a point of order. I ask the member for Hamilton Mountain to continue.

Mr. Charlton: I repeat that I have also been a long-time member of the private bills and regulations committee and the committee has no authority to fix problems in regulations. It has the authority to recommend to this House. This House has the authority to recommend to the executive council, but if the executive council has made up its mind that it does not want good, strong and decisive regulations, there is no authority for any committee of this House or even for this Legislature to change that. There is no authority anywhere. It is time the member learns the rules before he starts deciding how he is going to apply them.

During the course of this debate there have been a number of challenges thrown across the way. I assume that all members of this House ultimately would prefer to see the decisions we make on questions like auto insurance made in the light of day and in the light of facts, not in the light of emotion and not in the light of unknowing—I cannot think of the right word I am looking for—and unuseful ignorance of the facts.

We have a situation where there has been a number of studies done, as my colleague the member for Welland-Thorold has said, comparing the auto insurance schemes in western Canada with Ontario; and a number of other provinces, for that matter, not just with Ontario.

In all of the dozens of studies that have been done—with two exceptions, studies that have

been done by the insurance industry itself and one study that was done by the Fraser Institute—the proposition that has been put repeatedly over years and years by my colleague from Welland-Thorold has borne true. Those are facts. First, I challenge the members of the government party and the members of the executive council to sit down and look at the facts in those studies; and second, I repeat the challenge my colleague made that this government commission a study of its own comparing auto insurance rates and the viability of auto insurance in Ontario against the three western plans.

If they are so sure that what we are saying is not true, that what we are saying will not work, why would they possibly be afraid of doing the study? How could they possibly object to seeing the facts which they believe are going to prove their point? How could anybody object to knowing they can demonstrate factually that what they feel instinctively, is right, that what they believe, is right? How can they sit there and say they are right but not be prepared to look at the facts to prove it?

Mr. Farnan: Fear.

Mr. Charlton: My colleague says “fear,” and that is exactly right. There can be no other explanation.

My colleague also mentioned the task force that we had go around this province. I participated with my colleague from Welland-Thorold in that task force and we spent literally hundreds of hours listening to individuals, to companies, to tow truck companies, to cab drivers, to municipalities, to school boards: you name it and we listened to them in depth and in detail. We received, in huge volume, evidence of the faults that exist in this system, so many faults that those people yell do not exist. But we have the evidence in black and white, notices from insurance companies setting out cancellations, setting out discrimination, setting out unwarranted rate increases.

We have spent a lot of time debating this issue over the course of the 10 years I have been here and we will probably have to spend a lot more time debating this issue before it is finally resolved in Ontario, much as we did in the early 1960s with medicare. We all now have medicare and those people over there, who in the early 1960s opposed medicare, now brag about the benefits of that plan to the people of Ontario.

An hon. member: Don't paint us all with the same brush.

Mr. Charlton: Why should I not? I know how the member is going to stand up and vote on this bill.

An hon. member: Don't be so sure.

Mr. Charlton: Does the member mean we might actually convince some of them to vote against it or to vote for our amendments?

In interjections earlier in the course of this debate and even during question period today, the Treasurer made comments that the people of Ontario decided what they wanted in terms of auto insurance in the election. I never heard so much garbage in my entire life.

I remember the plethora of positions that party took over the course of the past year on auto insurance. I remember capping bills being introduced in this House last spring at the same time as the Premier was saying in the Niagara Peninsula, “I'm not ready to say it should be public auto insurance, but I'm not ruling out public auto insurance.” He left the impression with the people of Ontario that at the very least he was going to look at public auto insurance and find out the facts. That is the impression the Premier and other cabinet ministers over there left scattered around this province.

Mr. Swart: The impression they wanted to leave. It was good politics.

Mr. Charlton: Wanted to leave, because they did not want anybody to be sure of exactly what their position was on auto insurance. Why not? The former Minister of Financial Institutions on September 17 said it all. He said, “The auto insurance issue was a major issue out there and the NDP took votes away from us because of that issue.” In the ridings where we had the opportunity to make the positions clear, the voters did not defeat New Democrats; they elected them.

Let me go back for just a few moments to the question of legislation that sets up a board, and then all the purposes, regulations and guidelines under which that board will have to operate will be dealt with in regulations rather than in the legislation.

I listened this morning in the private members' debate to the member for Muskoka-Georgian Bay (Mr. Black) on a motion from one of our Conservative colleagues to set up a tourism board in Ontario. He got up and said: “This is meaningless. You are setting up another board. What is it going to do? What is the impact of this board going to be? What is it going to accomplish?” He said that there was nothing there, that there was a good intent perhaps, but there was nothing of substance there. The Liberal member for Muskoka-Georgian Bay got up and stood in this House and said: “It's all a sham. This is the old Tory trick of setting up boards to create jobs for Tories.”

Mr. Cousens: Oh, come on now, don't start.
1720

Mr. Charlton: I am telling them what the member said in the debate this morning. As it turns out, the process he was describing is exactly the process we are engaged in here this afternoon, a bill that sets up a board and does not tell us exactly what the board is going to do or how it is going to do it and what the outcome will be. "Leave it to us. We will do it in the regulations." I want to say to the Treasurer that I may not have been around this place for as long as he has, but I have been here long enough to know that when I hear those words I have real problems to look for.

Could one imagine the Environmental Protection Act that set up the Environmental Protection Board or the Environmental Assessment Act that set up the Environmental Assessment Board as legislation that had no meat, like this legislation, legislation that left it all to regulations to determine how the Environmental Protection Board or the Environmental Assessment Board was going to protect the environment in Ontario?

At the time we passed those pieces of legislation, the party that is presently the government was in opposition and it would have screamed blue murder through the ceiling of this place. They probably would have broken the skylight two floors above this ceiling if we had had environmental legislation that set up the board and did nothing else.

If we had a piece of legislation before us that contained whatever is presumably going to be in the regulations and we could see it and it made sense and we could understand how it was going to work for the benefit of the people of Ontario, even though we might not agree it was the ultimate solution because we have put out our position in terms of what our ultimate solution is, if we had a bill that contained the facts of the regulations before us so that we could see how it was going to work to benefit the people of this province, we would have to consider supporting it. We do not have that.

The member for Yorkview (Mr. Polsinelli) got up and made comments a few moments ago. He said, "If you can support this bill with your amendments, why can you not support this bill as it stands?" Because it is empty as it stands.

Mr. Polsinelli: We're talking about it being an interim measure.

Mr. Charlton: An interim measure to a goal that we can support.

Mr. Polsinelli: For it to be an interim measure, there has to be something there that—

Mr. Charlton: No, the amendment to the bill which would set up public auto insurance in this province is the interim measure we are prepared to support.

Mr. Polsinelli: That is not true. That is not what the member for Welland-Thorold said.

Mr. Charlton: That is what he said.

Mr. Polsinelli: He said that this would be an interim measure—

The Acting Speaker: Order. The honourable member will have time to make comments and ask questions later.

Mr. Polsinelli: I am just correcting him.

Mr. Charlton: He is doing a bad job of even correcting himself.

We have a situation where we have a bill that is a box and it has nothing in it. We would like to see something in it that can be judged by somebody in terms of its value, in terms of its content, in terms of its direction and in terms of what it will accomplish. We have none of that in this piece of legislation. We have a piece of legislation that sets up a board and states an intent that this board will review premium rates; nothing more. We do not even know what the powers of this board will be once it has reviewed those rates.

The Treasurer says, "Regulate the rates." What does that mean? We all know that there are all kinds of bodies already in existence in this province that have the power to regulate in some fashion, but even those boards that have the power to regulate have that power to regulate defined in some way.

The Ontario Energy Board, which my colleague referred to a number of times, regulates the rates of the natural gas distributors in this province, but its ability to regulate is defined. I cannot quote off the top of my head the exact definition of their ability to regulate, but they have to ensure that a certain amount of profit is earned by those natural gas distributors. So there is a definition to the ability to regulate. They cannot regulate above or below that.

What is the definition of the Treasurer of the pronounced ability to regulate that this board will have? If he tells us, we can talk about it, but if he keeps it hidden, we will distrust him.

As my colleague the member for Welland-Thorold also said, there is nothing in this bill and nothing in any of the indications of statements that have been made by ministers of the crown—either the present Minister of Financial Institutions or his predecessor—that indicates this government is prepared to eliminate the discrimi-

natory practices of the insurance industry in Ontario. I am not going to go through the process of describing to this House all of the kinds of discrimination that my colleague went through. I do not think that is necessary. But I want to use a couple of examples of it because they are the examples that get focused on most often.

I am doing this because I want members to understand the insurance industry's view of these very discriminatory practices to which I am going to refer so that they can understand what it is we are up against in terms of even trying to regulate the insurance industry in the first place.

We have had all this talk about discrimination against young drivers, most specifically against young male drivers, 16 to 24, and we have had all this debate about what the statistics show in terms of their driving and accident records. Nobody disputes any of that. It simply becomes a question of what we do with those studies and those facts, how we view them and how we determine they should be used in auto insurance.

Do we do as the auto insurance industry presently does and say that because the statistics for 16- to 24-year-olds are awful, all 16- to 24-year-olds are guilty and penalize them all? Or do we do as has been done in a number of jurisdictions and say: "No, every driver, whether he is 16, 42, 63 or 78 will be judged on his or her own performance as a driver? He or she will be judged if he or she has a good record and judged accordingly, or he or she will be judged if he or she has a bad record and penalized accordingly."

Here is how the auto insurance industry, this industry that the government is trying to somehow make understand social concerns—these companies are interested in profit, nothing else. That is what they are in business for. That is their job.

Listen to the kinds of attitudes they have towards questions like this. This is in a speech by the president of the Insurance Bureau of Canada: "We in the insurance business, and most people in general, feel that it is a shame when a good young driver has to pay so much for insurance." This is referring to the good young driver now, not the bad one and not the statistics. "We feel it is a shame when a good young driver has to pay so much for insurance, but we have all seen the statistics. We have all seen some young men driving like maniacs and lunatics. We were young ourselves once and we know that we tend to slow down when we get married and get a bit of responsibility."

Is the government going to be able to convince this guy that, no, he cannot use statistics to do

rate categories, that he has to judge each driver individually and independently?

He goes on to say, "It is a real tragedy that young men have accident records like they do, but it is not the fault of the insurance industry." How is the government ever going to make this individual responsible in our society? It cannot do it, because he knows also what the stats show. The stats show that when you can use rate categories and penalize them all, you make more money. It is a simple fact of life.

1730

"Insurance rates have been going up in Ontario but it is not the fault of the insurance companies. I recently asked two of Canada's largest insurance companies to compare insurance rates in Toronto and Calgary," and it goes on and on.

It goes over to the next part of his speech where he says—and this is how people in the insurance industry view good times, this is how they view a boom in our economy, growth, prosperity—just listen to this: "We in Ontario are having boom times. Our streets and highways are crowded." Members can just see them, can they not? "Our streets and our highways are crowded." Ha, ha. "People are buying newer and more expensive cars and driving them more and they are getting into more accidents and the accidents are more expensive." That is what prosperity is all about to insurance companies.

Are these the people the government wants determining how it is going to deal with its auto insurance? Really, are these the people it wants making its decisions for it? There is not an ounce of social understanding or social conscience anywhere in that industry.

Mr. Polsinelli: How come you guys have it all?

Mr. Charlton: There is probably even a little bit of it over there. I saw a head nodding yes when I said, "Shouldn't drivers be judged on their individual records?"

The guys opposite have a little bit of social conscience too but they do not have the guts to put it up front. They are prepared to allow that principle to go down the drain because they want to protect these kinds of people, the kind of people who applaud when there is a booming economy and people are buying more expensive cars because they are crowding the roads and the accidents get bigger and more expensive. That is what they take glee in.

We are sitting here trying to figure out ways to prevent that, and that is what they are taking glee in, sitting there rubbing their hands together. They do not want to help us to stop that carnage.

They could not care less. That is the kind of industry the government is telling us we can somehow regulate to make fair.

If my friends opposite really believe that, then they are exceptionally naive, because it cannot be done, any more than we can get rid of organized crime by regulation. We cannot do it. Maybe we cannot even get rid of organized crime by going out there to get rid of it, but at least with the insurance industry, we know we can get rid of private, unfair, discriminatory auto insurance if we want to.

The kind of really outrageous discrimination that the private auto insurance sector in Ontario provides is so perverse that for every kind of discrimination that is exposed publicly and about which pressure is put on them to back off from, they come up with a new one. Do the members remember the comments I read earlier about how the young driver gets more responsible when he gets married? I remember not too long ago when that was the key issue, "I have to wait until I am 25 or I get married to get a reduction in my auto insurance rates."

Just a few short years ago, somebody in the auto insurance industry said, "Well, hey, if young, male, single drivers are irresponsible and we can charge them more and get away with it, why don't we have a look at what happens when they get divorced and maybe we can grab them again?" Do members think they would do that? How many think they would do that? Let them raise their hands.

I want to tell members that is what they have started doing. It does not matter whether you are still under 25 when you get divorced or whether you are 36 or 42 or 58, if you get a divorce, most companies operating in Ontario are going to increase your premiums because, all of a sudden, after 20 years of being responsible you have become irresponsible again.

Mr. J. B. Nixon: Vote with us and change that.

Mr. Charlton: If the member tells me how he is going to change it, I may consider that.

Mr. Speaker: Order. Perhaps the member for Hamilton Mountain would direct his comments through the chair, please.

Mr. Charlton: Through the chair to the member for York Mills (Mr. J. B. Nixon) because he was out of the House, we are prepared to consider this bill and to consider supporting it if we can see what the devil it is going to do. We cannot see it in the legislation. Table the regulations. Let us go through in detail what it is the government is going to regulate, how it is

going to regulate, what power it is going to give the board, what it is going to allow the board to do. But do not tell me to have faith that the government is going to do it right, because I am not going to have faith that it is going to do it right. I have been burned too many times in this place at that game.

Hon. R. F. Nixon: Oh ye of little faith.

Mr. Charlton: Oh yes.

Interjections.

Mr. Charlton: Maybe we can get some more heads nodding again. Do the Liberals think it is appropriate that we should be raising people's insurance rates because they have become divorced?

Mr. Polsinelli: Let's take a vote.

Mr. Charlton: That is right. Tell us how this legislation is going to stop that kind of discrimination. It is not. They do not have the guts to do it. If they had the guts to do it, they would put it up here in front of us in black and white so that we could see that this legislation was real and was going to accomplish something. But they do not have the courage to take on the insurance companies, so they set up this bill that creates an empty box.

Just as the member for Muskoka-Georgian Bay (Mr. Black) said this morning, when he was responding to the resolution from this side of the House, from the Conservatives: "It is an old Tory trick to set up boards that don't have any power and don't have any authority and you cannot define what they are going to do. That is an old trick for job creation."

Mr. Polsinelli: That's the second time you have said that and only one part of the House that is getting offended.

Mr. Charlton: They should get offended hearing that kind of comment coming from the member for Muskoka-Georgian Bay and seeing this kind of legislation here from the same party.

It is a piece of legislation which sets up a box, a board. It is an empty box. It has no content, no definition. We do not know what it is going to do. The Treasurer says it is going to regulate rates. How is it going to regulate rates? What are the parameters? What will be its authorities? Will it be allowed to roll back unfair rates or will it just be allowed to make unfair practices public? I think that is probably closer to the truth. It will be allowed to make unfair practices public, and the Treasurer smiles.

Mr. Speaker, you have been around here for even longer than I have, and you have listened to the debates in this House over the years. You

have heard the debates both for the last two and a half years and for eight, 10, 12, 15 years, maybe even 20 years before then, when the government party, the party over there, was sitting over here and taking precisely the same position we are taking now.

They should not give us hollow legislation. They should tell us what they really intend to do. They should put the guts in the bill where the Legislature can debate them; not only where the Legislature can debate them, but also where in a committee of this House we can actually talk to the public and perhaps even to the insurance industry about what the real impact of the guts, the regulations, will be. Let us have something useful for our public hearings, because we have absolutely nothing to go to them with right now, not in this bill.

1740

I go back to comments I made earlier about our task force. If a committee of this Legislature could sit down and listen carefully and thoughtfully to the kinds of evidence that were brought before our task force, some of the members might at least start to understand the extent and scope of the problem we face. It is not just in auto insurance; that just happens to be the grossest manifestation of the problem.

It is there in liability insurance and, to some extent, we dealt with that. The government allowed municipalities, school boards, hospitals and other institutions to set up funds to self-insure, to protect themselves from the gouging that was going on in liability insurance.

The municipalities, the school boards, the institutions and the hospitals went out and investigated that possibility. What did they find? They found it works, and they proceeded to do it.

Can anybody over there tell me what the difference is between what the government allowed the institutions to do and what we are proposing?

Mr. J. B. Nixon: I can.

Mr. Charlton: No, I do not think the member can. I will be happy to meet him anywhere, any time. There is nobody over there who can tell me there is any significant difference between public liability insurance for school boards and public auto insurance for the drivers in Ontario.

Mr. J. B. Nixon: There is a big difference.

Mr. Charlton: I do not think so. I do not think any member over there who was prepared to sit down and really look at the facts would find any difference, either.

If this government was really committed to finding the best deal for the drivers in Ontario—and we are not talking about just individual drivers: we are talking about people who depend on their vehicles for the business they are in; we are talking about the whole transportation sector; we are talking about cab drivers; we are talking about tow-truck companies. The government could even, in its study, sit down and define what the best economic approach might be, in terms of business stimulation. It does it with everything else, or tries to.

Why are we afraid to look at the facts? Why are we afraid to do the study? If the government really believes what it says in this House that it believes—and I repeat what I said earlier—it would not be afraid to let us see the facts that support its position.

The only conclusion we can come to and the only conclusion, ultimately, the public can come to, is that if the government will not do a study and it will not make it public, it really does not believe itself when it says it will not work, because it is afraid to find out.

In wrapping up my comments today, I want to go back to what it is that the people of Ontario really want. I can say, as others will say, that what the people really want is public, driver-owned auto insurance, as we have in Manitoba, Saskatchewan and British Columbia. But I am not sure, even yet, if that is the answer you would get if you did a proper scientific poll in this province or if, in fact, you had a plebiscite.

I do know that what the people who drive in Ontario want is the best, most sensible and most affordable solution they can find. They would be interested in seeing the comparison study as well, whoever's point it proved, because they do not want to make the wrong choice of what they ultimately end up with. They certainly do not want an empty box.

Even if this government is sincere—and to the Treasurer, I still am very sceptical of this government's ability to seriously take on and regulate the auto insurance industry—when you end up with a piece of legislation where none of the guts are in the legislation, and you end up with another government five years down the road that is not quite so sincere or is even closer to the auto insurance industry—and regulations can get changed overnight by order in council, just like that, no debate, no nothing, and all of their sincerity and all of their good regulations are gone, finished, ended.

They send it off to the regulations and private bills committee and it says: "That was a nasty

thing to do. These regulations are no good, they'll never work." It sends a report to the House and we have a debate on the report in the House, but we have not rid ourselves of those new bad regulations, have we? We are still stuck with the new bad regulations the members of the executive council passed, because they are the only ones who have the authority to create or change regulations.

Why does the government put us in the position of having to debate an empty box? They should table the regulations. Let us see what it is they are proposing to do, other than set up a board which they verbally tell us is going to regulate rates.

Now we have a situation where, as my colleague the member for Welland-Thorold has said, insurance companies cancel insurance without warning, without notice, without explanation.

We did a survey not too long ago. Some of the people across the way, when my colleague was making the comments, disputed it with their interjections. We had 17 insurance brokers who would not quote for drivers under 21. We had another two who would not quote for drivers under 25. And yet when my colleague said that if the Liberals proceed along the road they are going they are going to end up with all of the drivers under 25 on Facility Association rates, the members all boo-hooed and bah-haaed.

That is precisely what they are going to do going down the road they are going. Every single, young, male driver under 25 years of age is going to get pushed out by the private insurance companies in this province and pushed on to Facility rates, and the minimum, no matter what their driving record is, is going to be \$2,500 a year. That is where the government is pushing the young people of this province if it continues down its present path.

We had some discussion about no-fault. Remember last spring? Because the debate was revving up and because the public was listening to the debate—the public, which obviously the Liberals are not listening to very well now that they have their majority—

Hon. R. F. Nixon: It was an issue in the election.

Mr. Charlton: Yes, and I addressed that earlier. Unfortunately, I guess the Treasurer was not back yet.

Sure it was an issue in the election, and what did they do with the public? They took five balls and they got them all going at once. They introduced two pieces of legislation in the House

while the Premier goes down the peninsula and says, "Well, I haven't accepted the idea of public auto insurance yet, but I haven't written it off either." And then you get the statement he made on September 7 that my leader quoted this afternoon, where he said, "We've got specific plans to reduce auto insurance rates in Ontario."

What did that mean to the public? The Treasurer may have known that it meant, "We'll reduce the rates for those under 25 by 10 per cent." He may have known that is what the Premier meant, but the public in the province did not know that is what the Premier meant when he said, "We have got specific plans to reduce auto insurance rates in Ontario." What did the people vote for? They voted for a smokescreen where there were clear indications that the government was prepared to do something far more substantial than what it is now putting before this House.

1750

In the last few minutes they have just pulled me very close to offending the Speaker and the entire House, but I managed to miss the words.

Interjection.

Mr. Charlton: Most of us who do it get pulled into doing it by the kinds of shenanigans across the way.

What is it that the people of Ontario voted for? I am suggesting that the people of Ontario, from all of the indications they had from this government and from the position that this party took, clearly voted for lower auto insurance premium rates in the province of Ontario and for public auto insurance if that would provide those lower premiums.

Mr. Callahan: During the election, they didn't know about the increases in Manitoba and British Columbia, did they?

Mr. Charlton: Mr. Speaker, there is a member down at the other end making interjections again. Perhaps you could ask him to be quiet, because he has not even taken the time to understand those announced rate increases; increases which, substantial as they might appear to his unknowing mind, are substantially lower than anything that has occurred in the past six years in this province, because most of those provinces have not had increases for three, four, five or six years. Some of them have in fact had negative increases. And now, yes, there are some things happening.

Mr. Callahan: There was \$181 million in BC in 1986 in subsidy by the government.

Mr. Charlton: An average six per cent increase over six years in the province of Saskatchewan; one per cent a year.

Mr. Callahan: Saskatchewan had a \$72-million subsidy in 1982.

Mr. Charlton: There are no subsidies in the Saskatchewan plan.

Mr. Callahan: That is what it says.

Mr. Speaker: Order. The member for Hamilton Mountain.

Mr. Charlton: The member does not listen. He does not want to listen. He does not want to understand the facts. That is fine.

Interjection.

Mr. Charlton: Yes, in six years in Manitoba we have had a 36 per cent increase. In six years in the province of Ontario we have had a 70 per cent increase. Take your pick, my friends.

Mr. Polsinelli: What is happening in Saskatchewan?

Mr. Charlton: Saskatchewan has had a six per cent increase in six years, or one per cent per year.

An hon. member: They always lower it before an election.

Mr. Speaker: This is certainly not question period. The member for Hamilton Mountain.

Mr. Charlton: Obviously, the members opposite do not like to understand facts, do not want to understand facts and would rather pay higher premiums in the province of Ontario than understand the facts. It is unfortunate that we have to have a debate where members do not want to listen and do not want to understand facts.

You know, in any math class I have ever been in, six per cent over six years is better than 70 per cent over six years, 20 per cent over six years is better than 70 per cent over six years and even the worst-case scenario, 36 per cent over six years, is better than 70 per cent over six years. That is what my math teacher would tell me. That is what the member's math teacher would tell him.

Interjections.

Mr. Speaker: Order.

Mr. Charlton: Well, perhaps the more we have to listen to some of that kind of comment, the more we will be sure that what we had was a victory because we did not have to end up with those clowns.

Mr. Speaker: Would the honourable member continue his remarks on the legislation and disregard the interjections.

Mr. Polsinelli: Mr. Speaker, on a point of order: Since you have already called the member to order, I would like to bring to his attention also

standing order 19(d)3, which deals with needless repetition. I believe the member has been doing much of that in the past 40 minutes.

Mr. Charlton: The member for Yorkview is correct. It is because of the silly attitude that has been taken here and the questions that have been raised about comments that I have already made that have forced me to repeat them. The Treasurer comes into the House, having been absent, and makes comments about things I have already said, and I just have to make sure he understands the answer to his questions. If the member does not want repetition, he should not ask for repetition.

My colleague from Welland-Thorold made comments about the joint campaign of the auto insurance industry and the Liberal Party in the last campaign. He also mentioned the \$220,000 the auto insurance brokers raised in the city of Hamilton alone to fight the New Democratic Party in the last election campaign. Did government members know that that \$220,000 the insurance brokers raised and spent in the city of Hamilton alone was more than all of our candidates and all of their candidates in the city of Hamilton put together spent? That is the powerful alliance the government likes to feel close to. That is the powerful alliance that promotes the democratic process that those members are lining up with, and they feel comfortable about that.

Mr. Mackenzie: It did not work in Hamilton, either.

Mr. Charlton: It did not work in Hamilton, because the people in Hamilton, fortunately, like facts, not bunk.

Interjection.

Mr. Charlton: Yes, I imagine the people right across the province like facts; they just did not get them. Do my friends think the insurance industry went into communities in the province where there was not a strong NDP challenge, where the auto insurance issue, therefore, was not perhaps as predominant as in some communities, like Toronto and Hamilton and others? Do they think it bothered to spend the kind of dollars I have suggested in Northumberland? Of course not.

I go back for a few moments to our task force and some of the things we found on that task force. My colleague from Welland-Thorold went through the seven or eight basic things that the task force found in terms of problems with auto insurance. We have already talked about the young male drivers and we have talked about the other kinds of discrimination, like divorce and so

on. He also mentioned a number of people who drive in Ontario without any insurance at all. He also mentioned how in the three western provinces they do not have that kind of rate of public disobedience and public danger.

I have a friend who was in an accident just a few short months ago.

Interjections.

Mr. Speaker: I know the honourable member has been keeping his eye on the clock. He may wish to adjourn the debate.

On motion by Mr. Charlton, the debate was adjourned.

ADJOURNMENT DEBATE

Mr. Speaker: I would also like to inform the House that earlier I stated that there would be an adjournment debate. However, I believe there is agreement that will take place on Tuesday, December 8.

BUSINESS OF THE HOUSE

Hon. Mr. Conway: Before we adjourn, I would like to indicate the business of the House for the coming week.

Commencing Monday, December 7, and continuing each afternoon, we will deal with second reading of the legislation in the following order as time permits: Bill 2, the Ontario Automobile Insurance Board Act; Bill 46, the Unconditional Grants Act; Bill 19, the Race Tracks Tax Act; Bill 20, the Employees Share Ownership Plan Act; Bill 21, the Ministry of Revenue Act; and Bill 51, the Employment Standards Act.

On Thursday morning we will consider private members' ballot items standing in the names of the member for Etobicoke-Lakeshore (Mrs. Grier) and the member for Markham (Mr. Cousens).

Of course, any changes or additions to this order will be announced following the usual House leaders' consultation.

The House adjourned at 6:01 p.m.

ALPHABETICAL LIST OF MEMBERS*
(130 seats)

First Session, 34th Parliament

Lieutenant Governor: Hon. Lincoln M. Alexander, PC, QC

-
- | | |
|--|---|
| Adams, Peter (Peterborough L) | Fulton, Hon. Ed , Minister of Transportation
(Scarborough East L) |
| Allen, Richard (Hamilton West NDP) | Furlong, Allan W. (Durham Centre L) |
| Ballinger, William G. (Durham-York L) | Grandmaitre, Hon. Bernard C. , Minister of
Revenue (Ottawa East L) |
| Beer, Charles (York North L) | Grier, Ruth A. (Etobicoke-Lakeshore NDP) |
| Black, Kenneth H. (Muskoka-Georgian Bay L) | Haggerty, Ray (Niagara South L) |
| Bossy, Maurice L. (Chatham-Kent L) | Hampton, Howard (Rainy River NDP) |
| Bradley, Hon. James J. , Minister of the
Environment (St. Catharines L) | Harris, Michael D. (Nipissing PC) |
| Brandt, Andrew S. (Sarnia PC) | Hart, Christine E. (York East L) |
| Breaugh, Michael J. (Oshawa NDP) | Henderson, D. James (Etobicoke-Humber L) |
| Brown, Michael A. (Algoma-Manitoulin L) | Hošek, Hon. Chaviva , Minister of Housing
(Oakwood L) |
| Bryden, Marion (Beaches-Woodbine NDP) | Jackson, Cameron (Burlington South PC) |
| Callahan, Robert V. (Brampton South L) | Johnson, Jack (Wellington PC) |
| Campbell, Sterling (Sudbury L) | Johnston, Richard F. (Scarborough West NDP) |
| Caplan, Hon. Elinor , Minister of Health
(Oriole L) | Kanter, Ron (St. Andrew-St. Patrick L) |
| Carrothers, Douglas A. (Oakville South L) | Kerrio, Hon. Vincent G. , Minister of Natural
Resources (Niagara Falls L) |
| Charlton, Brian A. (Hamilton Mountain NDP) | Keyes, Kenneth A. (Kingston and The Islands L) |
| Chiarelli, Robert (Ottawa West L) | Kozyra, Taras B. (Port Arthur L) |
| Cleary, John C. (Cornwall L) | Kwinter, Hon. Monte , Minister of Industry,
Trade and Technology (Wilson Heights L) |
| Collins, Shirley (Wentworth East L) | Laughren, Floyd (Nickel Belt NDP) |
| Conway, Hon. Sean G. , Minister of Mines
(Renfrew North L) | LeBourdais, Linda (Etobicoke West L) |
| Cooke, David R. (Kitchener L) | Leone, Laureano (Downsview L) |
| Cooke, David S. (Windsor-Riverside NDP) | Lipsett, Ron (Grey L) |
| Cordiano, Joseph (Lawrence L) | Lupusella, Tony (Dovercourt L) |
| Cousens, W. Donald (Markham PC) | MacDonald, Keith (Prince Edward-Lennox L) |
| Cureatz, Sam L. (Durham East PC) | Mackenzie, Bob (Hamilton East NDP) |
| Curling, Hon. Alvin , Minister of Skills
Development (Scarborough North L) | Mahoney, Steven W. (Mississauga West L) |
| Daigeler, Hans (Nepean L) | Mancini, Hon. Remo , Minister without Port-
folio (Essex South L) |
| Dietsch, Michael M. (St. Catharines-Brock L) | Marland, Margaret (Mississauga South PC) |
| Eakins, Hon. John F. , Minister of Municipal
Affairs (Victoria-Haliburton L) | Martel, Shelley (Sudbury East NDP) |
| Edighoffer, Hon. Hugh A. , Speaker (Perth L) | Matrundola, Gino (Willowdale L) |
| Elliot, R. Walter (Halton North L) | McCague, George R. (Simcoe West PC) |
| Elston, Hon. Murray J. , Chairman of the
Management Board of Cabinet (Bruce L) | McClelland, Carman (Brampton North L) |
| Epp, Herbert A. (Waterloo North L) | McGuigan, James F. (Essex-Kent L) |
| Eves, Ernie L. (Parry Sound PC) | McGuinty, Dalton J. (Ottawa South L) |
| Farnan, Michael (Cambridge NDP) | McLean, Allan K. (Simcoe East PC) |
| Faubert, Frank (Scarborough-Ellesmere L) | McLeod, Hon. Lyn , Minister of Colleges and
Universities (Fort William L) |
| Fawcett, Joan M. (Northumberland L) | Miclash, Frank (Kenora L) |
| Ferraro, Rick E. (Guelph L) | Miller, Gordon I. (Norfolk L) |
| Fleet, David (High Park-Swansea L) | Morin, Gilles E. (Carleton East L) |
| Fontaine, Hon. René , Minister of Northern
Development (Cochrane North L) | Morin-Strom, Karl E. (Sault Ste. Marie NDP) |

Munro, Hon. Lily O., Minister of Culture and Communications (Hamilton Centre L)
 Neumann, David E. (Brantford L)
 Nicholas, Cindy (Scarborough Centre L)
 Nixon, J. Bradford (York Mills L)
Nixon, Hon. Robert F., Deputy Premier, Treasurer of Ontario and Minister of Economics and Minister of Financial Institutions (Brant-Haldimand L)
 Offer, Steven (Mississauga North L)
O'Neil, Hon. Hugh P., Minister of Tourism and Recreation (Quinte L)
 O'Neill, Yvonne (Ottawa-Rideau L)
 Owen, Bruce (Simcoe Centre L)
Patten, Hon. Richard, Minister of Government Services (Ottawa Centre L)
 Pelissero, Harry E. (Lincoln L)
Peterson, Hon. David R., Premier and President of the Council and Minister of Intergovernmental Affairs (London Centre L)
 Philip, Ed (Etobicoke-Rexdale NDP)
Phillips, Hon. Gerry, Minister of Citizenship (Scarborough-Agincourt L)
 Poirier, Jean, Deputy Speaker and Chairman of the Committees of the Whole House (Prescott and Russell L)
 Pollock, Jim (Hastings-Peterborough PC)
 Polsinelli, Claudio (Yorkview L)
 Poole, Dianne (Eglinton L)
 Pope, Alan W. (Cochrane South PC)
 Pouliot, Gilles (Lake Nipigon NDP)
 Rae, Bob (York South NDP)
Ramsay, Hon. David, Minister of Correctional Services (Timiskaming L)
 Ray, Michael C. (Windsor-Walkerville L)
 Reville, David (Riverdale NDP)
 Reycraft, Douglas R. (Middlesex L)
Riddell, Hon. Jack, Minister of Agriculture and Food (Huron L)
 Roberts, Marietta L. D., Deputy Chairman of the Committees of the Whole House (Elgin L)

Runciman, Robert W. (Leeds-Grenville PC)
 Ruprecht, Tony (Parkdale L)
Scott, Hon. Ian G., Attorney General (St. George-St. David L)
 Smith, David W. (Lambton L)
Smith, Hon. E. Joan, Solicitor General (London South L)
 Sola, John (Mississauga East L)
Sorbara, Hon. Gregory S., Minister of Labour (York Centre L)
 South, Larry (Frontenac-Addington L)
 Sterling, Norman W. (Carleton PC)
 Stoner, Norah (Durham West L)
 Sullivan, Barbara (Halton Centre L)
 Swart, Mel (Welland-Thorold NDP)
Sweeney, Hon. John, Minister of Community and Social Services (Kitchener-Wilmot L)
 Tatham, Charlie (Oxford L)
 Van Horne, Ronald G. (London North L)
 Velshi, Murad (Don Mills L)
 Villeneuve, Noble (Stormont, Dundas and Glengarry PC)
Ward, Hon. Christopher C., Minister of Education (Wentworth North L)
 Wildman, Bud (Algoma NDP)
Wilson, Hon. Mavis, Minister without Portfolio (Dufferin-Peel L)
 Wiseman, Douglas J. (Lanark-Renfrew PC)
Wong, Hon. Robert C., Minister of Energy (Fort York L)
Wrye, Hon. William, Minister of Consumer and Commercial Relations (Windsor-Sandwich L)

*The alphabetical list of members appears in each issue. Lists of the members of the executive council, parliamentary assistants and members of committees, brought up to date as necessary, are published in Hansard in the first and last issues of each session and on the first sitting day of each month.

CONTENTS

Thursday, December 3, 1987

Private members' public business

Tourism Advisory Board Act , Bill 24, Mr. McLean, Mr. Wildman, Mr. Black, Mr. J. M. Johnson, Mr. Hampton, second reading agreed to	809
Heritage Building Fund , resolution 6, Mr. Cleary, Ms. Bryden, Mr. Villeneuve, Mr. Owen, Mr. Breagh, agreed to	818

Members' statements

Rent regulation , Mr. Breagh	828
Credit unions et caisses populaires , M. Villeneuve	828
Assistance for people with brain injuries , Mr. Morin	828
Chilean wines , Ms. Bryden	829
Alzheimer's disease , Mr. McLean	829
Simcoe Christmas Panorama , Mr. Miller	829
Social assistance , Mr. Swart	829

Statements by the ministry

Technology fund , Hon. Mr. Kwinter	830
Premier's Council on Health Strategy , Hon. Mr. Peterson	831
Court facilities , Hon. Mr. Scott	832
Unconditional grants program , Hon. Mr. Eakins	833

Responses

Premier's Council on Health Strategy , Mr. Reville	834
Unconditional grants program , Mr. Breuagh	834
Technology fund , Mr. B. Rae	834
Premier's Council on Health Strategy , Mr. B. Rae	834
Court facilities , Mr. B. Rae	835
Technology fund , Mr. Sterling	835
Court facilities , Mr. Sterling	835
Unconditional grants program , Mr. McCague	835
Premier's Council on Health Strategy , Mr. Eves	836
Technology fund , Mr. Cousens	836
Unconditional grants program , Mr. Cousens	836

Oral questions

Automobile insurance , Mr. B. Rae, Hon. R. F. Nixon	836
Child care , Mr. B. Rae, Hon. Mr. Peterson	837
Retail store hours , Mr. Brandt, Hon. Mrs. Smith, Mr. Harris	838
Chilean wines , Mr. Runciman, Hon. Mr. Peterson	840
Agricultural industry , Mr. Wildman, Hon. Mr. Riddell	841
Liquor Control Board of Ontario , Mr. Runciman, Hon. Mr. Wrye	841
Sales tax , Mr. Owen, Hon. R. F. Nixon	842
Canadian Security Intelligence Service , Mr. Hampton, Hon. Mr. Peterson	843
Hours of work , Mr. Mackenzie, Hon. Mr. Sorbara	843
Credit unions and caisses populaires , Mr. Harris, Hon. R. F. Nixon, Mr. Villeneuve	844

Stabilization payments , Miss Roberts, Hon. Mr. Riddell	844
Child care , Mrs. Grier, Hon. Mr. Peterson	845
Alcohol and drug addiction , Mr. Pollock, Hon. Mrs. Caplan	845
Overcrowding in universities , Mr. R. F. Johnston, Hon. Mrs. McLeod	846
Red meat industry , Mr. Villeneuve, Hon. Mr. Riddell	846
Steep Rock Resources Inc. , Mr. Hampton, Hon. Mr. Kerrio	847

Motion

Committee membership , Hon. Mr. Conway, agreed to	847
--	-----

First readings

Theatres Amendment Act , Bill 54, Hon. Mr. Wrye, agreed to	847
Upholstered and Stuffed Articles Amendment Act , Bill 55, Hon. Mr. Wrye, agreed to ..	847
Operating Engineers Amendment Act , Bill 56, Hon. Mr. Wrye, agreed to	848
Oshawa Public Utilities Commission Act , Bill Pr10, Mr. Breaugh, agreed to	848
General Hospital of Port Arthur Act , Bill Pr30, Mr. Kozyra, agreed to	848
Energy Amendment Act , Bill 57, Mr. Wildman, agreed to	848
City of Hamilton Act , Bill Pr67, Mr. Charlton, agreed to	848

Second reading

Ontario Automobile Insurance Board Act , Bill 2, Hon. R. F. Nixon, Mr. Swart, Mr. J. B. Nixon, Mr. Fleet, Mr. Polsinelli, Mr. Laughren, Mrs. Marland, Mr. Charlton, adjourned	849
--	-----

Other business

Recess	827
Canadian Security Intelligence Service , Hon. Mr. Peterson, Mr. Breaugh	836
Notice of dissatisfaction , Mr. Speaker	848
Order of questions , Mr. D. S. Cooke, Mr. Speaker, Mr. Harris	848
Adjournment debate , Mr. Speaker	872
Business of the House , Hon. Mr. Conway	872
Adjournment	872
Alphabetical list of members	873





C/12/7/11
X1
-D23

Copyright
Protected

No. 18

Hansard

Official Report of Debates

Legislative Assembly of Ontario

First Session, 34th Parliament
Monday, December 7, 1987



Speaker: Honourable Hugh A. Edighoffer
Clerk of the House: Claude L. DesRosiers

Published by the Legislative Assembly of Ontario
Editor of Debates: Peter Brannan

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of members of the Legislative Assembly of Ontario.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$18.00 per session, from: Sessional Subscription Service, Information Services Branch, Ministry of Government Services, 5th Floor, 880 Bay Street, Toronto, M7A 1N8. Phone (416) 965-2238.

LEGISLATIVE ASSEMBLY OF ONTARIO

Monday, December 7, 1987

The House met at 1:30 p.m.

Prayers.

MEMBERS' STATEMENTS

DIOXIN IN KRAFT PULP

Mrs. Grier: The piece of white paper which I hold in my hand may well contain very minute quantities of dioxin. With this dangerous chemical, even a minute quantity is too much. Studies have proved that dioxin is a byproduct of the chlorine bleaching process used in almost all Ontario's pulp and paper mills. Tests in the United States have found low-level dioxins in office paper, coffee filters, disposable diapers and paper food containers.

Tomorrow evening, the CBC television program Market Place will reveal the results of tests it did to look for dioxins in Canadian paper products.

The Minister of the Environment (Mr. Bradley) has a committee of experts reviewing this problem. The minister has agreed that changes in the bleaching process used by kraft mills might be a solution. Such changes have been made in Scandinavia. The minister's experts are due to report early in 1988.

Under the municipal-industrial strategy for abatement, a monitoring regulation for the pulp and paper industry is due to be in place by the end of March 1988, followed by a compliance regulation by the end of the year.

This is one environmental problem that is too serious to warrant any delays in finding a solution. In a poll commissioned by the American Paper Institute, 59 per cent of those surveyed said they would reduce their use of paper products if they believed they were contaminated with dioxin. What is at stake in this issue is not only the health of the consumers and workers but also the health of the Canadian pulp and paper industry. Process changes will have to be made by industry, and we in this party demand that the minister move quickly.

GOVERNMENT POLICIES

Mr. Sterling: As we near the end of this session, I want to bring to the members' attention one consistent factor that has been apparent to

this parliament, and that is a string of broken promises by the government.

First, there was the case of the peek-a-boo veto. During the election the Premier (Mr. Peterson) had a veto on free trade: "No deal or the right deal," he said. After the election, he somehow misplaced his veto. Instead of owning up to it, he accused Ontarians of simply misunderstanding what he had said.

Next, there was the education funding: over \$270 million promised for new programs to take effect immediately. That \$270 million turned out to be \$60 million this year, with the rest to take effect who knows when. When the Premier was asked about this, he accused the media of misrepresenting his statement.

Most recently, we had the case of the on-again-off-again frozen insurance premiums. During the election campaign, premiums were frozen and, in fact, were going down. After the election, the Liberal thaw set in and premiums are not going down, but are most definitely going up, thanks to the Treasurer (Mr. R. F. Nixon). We have two weeks left in this Legislature. The question becomes, how many more promises can this Liberal government break during that short period of time?

WHIPPER WATSON TELETHON

Mr. Beer: Together with the member for Durham-York (Mr. Ballinger), I would like to share with the House what can only be described as the most ambitious programming event ever to be broadcast across cable television in Ontario. Organizers of the Whipper Watson Telethon were able to put together a special cable network to help raise the \$1.7 million necessary for York County Hospital in Newmarket to purchase a computerized axial tomography scanner, a computer-assisted X-ray device.

Where previously patients were required to wait up to three months and to travel to a Toronto hospital to benefit from the lifesaving procedure that a CAT scan offers, those living in York, Durham, Simcoe and Dufferin regions will now receive immediate and local medical attention.

We are all acquainted with the former wrestler Whipper Billy Watson, a recipient of the Ontario Medal for Good Citizenship and a member of the

Order of Ontario, either through his colourful career or his great involvement in charitable fund-raising. It will, therefore, come as no surprise that Whipper was the catalyst behind this weekend's event.

On behalf of all members I would like to congratulate Whipper Watson, his assistant, Pam McDonald, executive producer David Blackwell and the multitude of volunteers responsible for the success of this campaign. I would also like to express appreciation to the standing committee on the Legislative Assembly for allowing this unique telethon access to the parliamentary channel and thereby facilitating its broadcast throughout the area served by York County Hospital.

Whipper Watson, a youthful 72, has stated that this CAT scan campaign would be his final fund-raising project before retirement. It is fitting that Whipper's last event was an innovative one which married the benefits of technology to the community spirit necessary for the success of such a campaign.

REBELLION OF 1837

Mr. Swart: I do not class myself as an historian, except for having been around for a while, but I think we would be remiss in this House if we did not note that today is the 150th anniversary of an important event, the rebellion of Upper Canada led by William Lyon Mackenzie.

That event was, of course, the attack of the militia under Colonel James Fitzgibbon on Montgomery's Tavern. The rebels were defeated and the tavern was burnt to the ground. As futile and lacking of success as it turned out to be, it was nevertheless the catalyst for the system of responsible government that we have now in this province.

Many of those prominent in that uprising were residents at that time of the Niagara Peninsula and their descendants still live there. Dr. John Rolph, the great-great-grandfather of Beverly Craig, who lives in Fonthill, was going to be installed as head of the contemplated republic and had to flee the country. Both the paternal and maternal great-great-grandparents of Ed Gould, currently a prominent citizen of Welland, were involved in that uprising. Joseph Gould was held in jail for one year and Charles Chapin also suffered severe retribution.

I want today to pay tribute to those involved in that fight for responsible government and recognize that we are beneficiaries of their action.

INTERVAL HOUSES

Mr. Harris: I want to point out the following facts to all the Liberal ministers who failed to meet with representatives of the Ontario Association of Interval and Transition Houses last week. There are an estimated one million battered women in Canada. Of the 17,000 families on a three-year waiting list for subsidized housing in Ontario alone, three quarters are mother-led.

In large urban centres such as Toronto, transition houses can accept only one in 10 requests for admission due to lack of available beds. In Toronto alone, more than 10 women have been killed since June of this year by their present or estranged partners. Transition home funding in Ontario is neither adequate nor guaranteed. The North Bay transition home, for example, receives no funding for the 200 nonresidential clients it handles each and every month.

The government has clearly failed to meet the needs of battered women and children in this province. It has failed to implement the new transition-home funding formula promised since last May. It has failed to consult with association representatives, and neither the Premier (Mr. Peterson) nor his ministers would meet with representatives when they came to Queen's Park last week. I guess that is the reality of September 10.

I call upon the government today to introduce legislation devoted to the issue of family violence to ensure that the operating costs of transition houses are adequately and securely funded. We know there is a problem. This government has an obligation to fulfil the need.

1340

BRUCE BROWN

Mr. Miller: We have a guest here today whom I would like to introduce to the honourable members. Bruce Brown is in the gallery today as the Ontario Minister of Agriculture and Food for a day.

Each year the agricultural minister for a day is selected during a public-speaking contest sponsored by the Ontario Ministry of Agriculture and Food and the Royal Agricultural Winter Fair. This contest is held during the Royal. Today Bruce Brown is accompanying the minister on his duties around the minister's office and here in the Legislature this afternoon.

This year's minister for a day comes well equipped for his role. He is a 25-year-old farmer from Newcastle, Ontario, where he helps run a dairy, beef and cash crop farm with his father. A

graduate of the University of Guelph in agricultural economics, this year's minister for a day has all the potential to be a future leader in agriculture.

Mr. Speaker and honourable members, please recognize this year's minister for a day, Bruce Brown, who is in the east gallery.

COMMERCIALIZATION OF HEALTH SERVICES

Mr. Morin-Strom: I would like to bring to the attention of the Minister of Health (Mrs. Caplan) at this time an issue of concern regarding the commercialization of health care services in this province, in particular laboratory testing.

This has been brought to my attention most recently by Fred Griffith, president and chief executive officer of the Sault Ste. Marie and District Group Health Association. He has expressed concern that these tests are being discontinued by the regional laboratories in the province and are being turned over to commercial laboratories. At a time when health care is supposedly in a crisis, Ontario continues to create bonanzas for the commercial laboratories.

Mr. Griffith, who has just been named to the Premier's Council on Health Strategy asks: "What is the system for—to provide care for Ontario residents or profits made at the expense of an overburdened system for absent and resident shareholders?"

I ask the minister to take a close look at this and act on this growing problem in terms of health care dollars being drained away from other important items.

Mr. Speaker: The member's time has expired.

STATEMENTS BY THE MINISTRY

CHILD CARE

Hon. Mr. Sweeney: I would like to report to the House on last week's federal-provincial child care conference in Ottawa.

As members of the Legislature know, the focus of the conference was the federal government's announcement of a \$5.4-billion national child care plan spread over seven years. Of this, \$3.1 billion will be used to cost share programs with the provinces.

The government of Ontario welcomes the federal announcement. While we still have important concerns, we are pleased that the strategy announced by the federal minister, Mr. Epp, is in line with our New Directions for Child Care paper unveiled last June.

The Ontario government's plan will increase provincial spending on child care to \$325 million by 1990. This is about four times the province's child care budget when this government came to office in 1985. Our plan has always assumed the federal government's willingness to be a full partner.

The New Directions document marked a significant turning point in the development of a high-quality, affordable and accessible system in Ontario, one that recognizes child care as an essential public service and not as a welfare service.

The federal plan gives us some of the tools we need to continue moving ahead with our New Directions, but our work is not complete. A thorough evaluation of the plan must await the outcome of a bilateral negotiation. Over the next few weeks and months, we will be meeting with the federal government to ensure that Ontario receives the funding it needs to move forward with its New Directions for Child Care paper. Ottawa has put in place the national policies that we in Ontario were advocating. Now we need the resources.

I want to assure the members of this Legislature and, more important, the families of Ontario that this government will speak with a strong voice to ensure that we get the funding we require.

The spending that the Ontario government is committed to, with federal government partnership, will help cover the increasing cost of our programs, to meet such things as the priority we have placed upon better salaries for child care workers. Dollars from both levels of government will allow us to pay for the thousands of new spaces that will be coming on stream over the next several years.

Another of the funding issues that has generated great interest relates to direct operating grants. These grants will begin for the nonprofit sector on January 1, 1988, as part of our stated intention to ensure growth in the nonprofit sector.

The federal plan puts no restrictions on grants to commercial operators. As of April 1, 1988, when the federal cost-sharing program begins, Ontario will be able to go ahead with the plan I previously announced to flow direct grants to existing commercial child care spaces, presently estimated to comprise a significant percentage of our system.

I would like to advise members that, as of today, only those commercial spaces whose operators are already licensed or who have applications in process in the ministry's area

offices will be eligible for direct grants from the provincial government.

Finally, I would like to thank my colleagues, the Treasurer (Mr. R. F. Nixon) and the minister responsible for women's issues (Mr. Sorbara), for their help in ensuring Ontario was well represented at last week's conference. They will also be involved in our upcoming discussions with Ottawa on the detailed funding arrangements.

We were generally pleased with the results of last week's conference, but I repeat, we are committed to ensuring we get the federal dollars we need to pursue our long-term strategy for child care.

I am today even more confident that we can build an affordable, accessible child care system. We have taken another important step towards that goal, one which ensures women can participate fully and equally in the economic life of this province and one which ensures maximum opportunities for growth for future generations.

SCHOOL DROP-OUTS

Hon. Mr. Ward: It gives me great pleasure to inform the members today of my ministry's newest in a series of innovations to attack Ontario's disquieting and deep-rooted drop-out problem.

This government recognizes and is striving to curtail the tragic loss of human potential embodied in the young men and women who slip through the fingers of our educational system. To approach that dilemma on a new front, I am today awarding a total of \$600,000 to fund 12 pilot projects related to our student retention and transition project. This money will allow the funding of the 12 projects which were selected from a total of 75 school board submissions.

Projects selected include those of the North York Board of Education, Lakehead District Roman Catholic Separate School Board, West Parry Sound Board of Education, Stormont, Dundas and Glengarry Board of Education, Huron County Board of Education, Sault Ste. Marie Board of Education, Lakehead Board of Education, Halton Board of Education, Metropolitan Separate School Board, Durham Board of Education, Nipissing District Roman Catholic Separate School Board and the Ottawa Board of Education.

We believe the intervention strategies contained in the pilot projects will assist Ontario school boards in significantly lowering the drop-out rate across the province. Projects selected contain drop-out prevention programs

for students at risk, including visible minorities and native people, re-entry programs for those who have already left school and counselling programs focusing on career planning and transition to the workplace.

The implementation of these pilots will provide my ministry with valuable information to assist us as we establish provincial policies and programs to help school boards in reaching the goal of reducing the drop-out rate by one third over five years.

This initiative, coupled with two additional broad-based undertakings already pressed into action by my ministry—the ties to business and industry incentive fund and co-operative education—is striving to create a varied and responsive educational system in Ontario that is equally relevant to the student pursuing a post-secondary education or the student embarking on another career path. We believe that initiatives such as these stimulate students' interests in school by increasing their desire to complete their studies.

Some 61 school boards in Ontario are participating in the ministry's ties to business and industry incentive fund. Since the ministry first announced its three-year, \$13-million co-operative education and transition-to-employment incentive fund in January 1986, we have made significant strides in the area of co-operative education in Ontario by strengthening the bonds between teachers and students and the world of work.

1350

Approximately 35,000 students and 113 school boards in Ontario are participating in co-op education in 1987-88. That means more students than ever are experiencing first hand the kind of knowledge gained in the workplace. As a result, they are better aware of the options available to them when they finish their schooling.

Through these and other endeavours, this government is seeking to preserve and enhance Ontario's unparalleled education opportunities for every one of our young people.

I would like to add, for the information of the members, that I am looking forward to releasing the work of George Radwanski. In March of this year, Mr. Radwanski was appointed to unearth ways of making Ontario's education system more relevant to the needs of young people and to the realities of the labour market. His focus will be on the issue of high school drop-outs.

I am confident that the work of our student retention and transition pilot projects, coupled

with our other endeavours in conjunction with Mr. Radwanski's report, will enable us to construct solid and useful strategies to reduce the drop-out rate from our schools.

CONTAMINATED MUSSELS

Hon. Mrs. Caplan: Recent shipments of contaminated mussels into Ontario have posed a serious threat to our province's public health.

Already, at least 34 cases of food poisoning have been reported in Ontario, Quebec, New Brunswick and Prince Edward Island following the consumption of contaminated mussels. There are four suspected cases and one confirmed case among Ontario residents.

Persons affected show severe gastro-intestinal disorders shortly after eating mussels—symptoms such as nausea, vomiting and diarrhoea. In some patients, these symptoms have been followed by disorientation, memory loss and even loss of consciousness.

On December 2, Health and Welfare Canada advised my ministry that at least 34 shipments of Prince Edward Island mussels contaminated with an unidentified toxin were distributed in Ontario between November 1 and November 30. The shipments had been sent to nine Ontario distributors, most of them in the Kitchener and Toronto areas.

We were told that the federal government's health protection branch had contacted the nine distributors and asked that the mussels be removed from sale. In turn, the distributors were asked to advise their retail outlets to remove and destroy the product. In order to determine that these requests had been complied with, a verification procedure was implemented.

On December 3, my ministry issued a public warning advising Ontario consumers to return any fresh mussels purchased since November 1 to their retail outlet. The federal warning referred only to mussels from Prince Edward Island and the Magdalen Islands. Our Ontario warning was broader because fresh mussels are not usually labelled or coded and consumers might not be able to determine their source.

On that same day, all Ontario health units were notified of the recall and ordered to take the following actions:

To check all outlets in their areas where mussels are sold—both wholesale and retail;

To remove any suspect mussels from sale and place them on hold. All mussels purchased through any one of the nine Ontario distributors who received Prince Edward Island mussels were to be considered suspect;

To inform the health protection branch of the federal government about the action that had been taken;

To advise the public health branch of my ministry about any mussels still being offered for sale.

With regard to the public health threat posed by contaminated mussels, a public advisory is being issued by my ministry today to not purchase or eat any mussels originating from any area of Atlantic Canada or the northeastern seaboard of the United States and to not purchase the product for canning or pickling since it is not known at this time whether the toxin would be destroyed through the preserving process.

I recognize that these are rather severe actions, but they are necessary until the nature and source of the mussel toxin is satisfactorily resolved.

RESPONSES

SCHOOL DROP-OUTS

Mr. R. F. Johnston: The government must be feeling very sensitive about its failed promises around education in the election to come up with this preposterous announcement today instead of waiting for George Radwanski's report to know where it would want to go with the school drop-out problem.

They trivialize it by making it seem like it is almost nothing at all, rather than the thousands and thousands of kids who are finding our school system unacceptable, because they send \$50,000 per project to schools to address this enormous problem in our society.

Members in this House should know that kids in the basic level of our high school system are dropping out at rates of over 70 per cent. Over 70 per cent do not complete, and this minister wants to throw \$50,000 a project at them as if that is some sort of a response.

I wonder how this is going to fit with our Futures program, which of course is dealing with the skills side of these kids. Futures, by the way, takes only about 60 per cent of its clients as drop-outs. I do not know what happens to the rest of them, but only 10 per cent of all the students who go into the Futures program even make it back into school.

If you look at this major program we have for kids in skills development in another ministry you then see that it is not dealing with the problems either, and here we have a government just throwing tiny little amounts of money at a problem which is enormous and which is structural, instead of dealing with it in a systematic fashion.

CHILD CARE

Mr. Allen: The Minister of Community and Social Services (Mr. Sweeney) has come back from the meetings in Ottawa full of pride in his comments on the announcement that has been made with respect to day care.

I would just like to observe that the Ontario Coalition for Better Childcare, which has been lobbying him for some time, wanted him to institute a program that would have the following standards: It would be high-quality, it would be directly funded, it would be fully accountable to parents as well as to government and it would be nonprofit in character and fully accessible.

He has failed that lobby group—the professionals in the field, the biggest single coalition on the subject in the whole country—with the plan that has been announced in Ottawa, and yet he keeps referring to it as exactly the kind of plan we wanted.

His attitude of taking the money and running from Ottawa without working and demanding in Ottawa a national standards, national objectives program that would be consistent across this country as well as in Ontario is, to me, nothing less than shameful. There is a major precedent that he has established on transfers relating to welfare payments and so on with regard to their accessibility to private businesses in this country which I think we will live long to regret. That is the first time those moneys have ever been accessible by private business.

If I can quote in another respect Laurel Rothman, for example, of the Ontario Coalition for Better Childcare, referring to the federal government, which might well be said to the minister, “I would just like to remind the federal government that I am not aware of any federal program that makes ongoing federal dollars available to business.”

On this subject, the minister has recently assured the Metro Morning inquisitors that free trade will not be a problem, but I beg to differ and I think others, including Marjorie Cohen, the specialist on this subject, certainly would disagree with him. He says that because he is only making grants available through this program to existing commercial day care centres, that in point of fact he will not be obligated under the free trade agreement in the services sector to provide moneys for competing American day care corporations that come into this province.

If he will look at the dispute settlement mechanism under the agreement such as we have seen it, he will find out that it will be absolutely impossible for him to resist paying money to

those groups in order to give them equal treatment, national treatment in Canada.

That is a dangerous precedent, and I think it is a shameful thing for this minister to have saddled this province with that agreement and to be willing just to take this money and run.

SCHOOL DROP-OUTS

Mr. Jackson: It is not a good day for the unemployed youth of this province, specifically those who have experienced dropping out of our secondary schools in this province. They now know what they can expect, after waiting since 1985 for the Liberal promise two elections ago that every student would be employed in this province. That was the promise given by the then Liberal Leader of the Opposition. He promised students he would find a mechanism by which he could give them hope while attending secondary schools in this province, that they could develop training skills so they could move towards employment, which is the natural transition from school.

1400

This announcement today shows a complete lack of understanding and sensitivity to this most pressing and desperate situation in this province. The statistics have been alluded to. We now know that the Ministry of Skills Development's highly touted Futures program has a drop-out rate of its own of over 35 per cent. Yet this government refuses to link education and skills training, which is what every other successful jurisdiction in the world has been telling provinces and countries like ours which are experiencing this difficulty.

This government unceremoniously dumped the two years' work of Ken Dryden, Ontario's youth commissioner, who made very clear and specific recommendations to the Ministry of Education, Ministry of Skills Development and Ministry of Industry, Trade and Technology. He talked about the need for a school-work continuum. In the absence of such a vehicle, we are going to continue to repeat the problems and provide no future and no hope for students who are experiencing the multitude of problems that contribute to dropping out in our schools.

Our high school technical shops are draining at an absolutely alarming rate; we are moth-balling technical equipment in our high schools across this province; the fallout from the document Ontario Schools, Intermediate and Senior Divisions, about curriculum guidelines has created a compression in the school programs for our students—all of which have created a worsening

of this situation, and yet our skills needs in this province are increasing and our drop-out rate continues to increase.

The minister should bear in mind what Mr. Dryden had to state, because it was a year ago that we warned the ministry. The Ministry of Skills Development was doing apprenticeship programming and it failed to even consult with the Ministry of Education. Still, today, he comes with this kind of recommendation for a \$50,000 pilot project; \$50,000 will not pay a teacher's salary at A-4 maximum in this province. So what kind of program is he going to provide for that kind of money?

Let me quote what Mr. Dryden thinks of the minister's program announcement today. He knew, a year ago, when he wrote the report. He says:

"Futurists tell us we will move from work into education/training and back again several times in our lifetime. These changes must come quickly and easily. Two systems abutting each other are not good enough. Transitions suggest beginnings and ends and break-points that must be bridged. There needs to be something more natural and automatic. It may be useful, instead, to think of education and work as a continuum."

That is the document the minister should be looking at, not short-circuiting Radwanski's report, which we are all waiting for, after the minister promised he would deal with this problem a year ago. We are still waiting for Radwanski's report and the minister is applying Band-Aids to this severe problem for the drop-outs in this province.

ABSENCE OF CRITICS

Mr. Harris: The member for Mississauga South (Mrs. Marland), our critic for the Ministry of Community and Social Services, is not here today. I know we have a lot of things to say on day care; I just do not know what they are. Maybe we could have time tomorrow, but I do not want our silence on the issue today to be construed—and that is really why I rise—as adopting the position of the member for Hamilton West (Mr. Allen). If I have to say anything, I would at least have to congratulate the minister for resisting some of the things the member for Hamilton West feels is the only way to proceed.

In relation to the statement of the Minister of Health (Mrs. Caplan), I might say our critic and our whip is absent today, as well. Maybe he ate mussels on the weekend, I do not know.

SPEAKER'S RULING

Mr. Speaker: Just before I call for oral questions, on Tuesday last I undertook to

examine the situation regarding the use of unparliamentary language by the member for Burlington South (Mr. Jackson) in the context of a ruling I had made in the House on December 12, 1985.

Before I go any further, I would like to thank the member for Burlington South for the way in which he quickly withdrew the offending words last Tuesday. In examining the ruling brought to my attention by the member, I have found the two situations to be very different. They both deal with words originally spoken outside the House, but in the latter case the member for Burlington South chose to repeat his words of his own volition without being prompted to do so, and that is the reason the chair called him to order.

One very important point in this procedural matter, as well as others, is that a member cannot and should not try to do indirectly what he cannot do directly. The chair must appeal to members not to approach their work with a view to trying to go as far as they can without breaching a standing order or a rule of this House. Especially as it pertains to unparliamentary language, there is no fixed list of what is parliamentary and what is unparliamentary.

In this regard, I bring to the attention of the members separate lists published in Beauchesne's fifth edition from pages 105 to 114 which contain on the one part, words that have been found unparliamentary, and on the other, words that have been found to be parliamentary. Members will notice that a good number of those words and expressions are contained in both lists. There is no fixed rule. The Speaker, in his capacity as a member having been chosen by his peers to uphold order in the House, is the judge of what word or expression, in the given context of the day, is parliamentary or unparliamentary.

In order to explain this further, I would quote from Beauchesne's fifth edition, pages 114 and 115:

"(1) It is impossible to lay down any specific rules in regard to injurious reflections uttered in debate against particular members, or to declare beforehand what expressions are or are not contrary to order; much depends upon the tone and manner, and intention of the person speaking." That is from the Journals, March 19, 1976.

"(2) An expression which is deemed to be unparliamentary today does not necessarily have to be deemed unparliamentary next week." I refer to Debates, July 23, 1955.

I would further urge all members to keep this in mind and recognize that they have a duty in the

preservation of order as well. That duty is to help the chair in ensuring that free debate can take place in this chamber while preserving the basic dignity traditionally applied to the use of language in parliamentary institutions.

Oral questions, the Leader of the Opposition.

ORAL QUESTIONS

TRADE WITH UNITED STATES

Mr. B. Rae: Thank you, Mr. Speaker. I thought you were going to say, "Speaking of unparliamentary language, the Leader of the Opposition."

My question is to the Premier. I wonder if the Premier can give us the assurance, if not to say the promise, that when we finally have the text of the agreement between Canada and the United States with respect to free trade, which we hope we will have this week, at the very least at that point and on that day the Premier will announce what campaign and what program the government of Ontario intends to follow in order to stop the deal.

Hon. Mr. Peterson: Just to bring my friend up to date, to the best of my knowledge—everything we are hearing is unofficial at the moment—ambassadors Reisman and Murphy may sign off on this tomorrow. Presumably, then it would take 48 hours or so to get that into appropriate text, printed and translated. As soon as we have a copy of that, we will be very happy to share that with all honourable members of this House and indeed the public.

1410

It is my view that we should commence immediately with the standing committee on finance and economic affairs looking at that. I think they could start right away. Obviously—I am sure my honourable friend would agree with me—they will not have time to do all of that prior to the January 2 date, which I do not believe is magic anyway. I think that group should look at that contract in as great detail as it so chooses in order to advise the House of its findings and indeed any hearings it would like to have.

Presumably, I will be meeting with the other first ministers on this some time—I cannot give members a date; it may be later on this week or perhaps next week—for further discussions. As my honourable friend knows, we are unalterably opposed to this deal. We are assessing all of it, in all of its legal as well trade implications and economic ramifications. I am happy to share that with the member and everyone else.

Mr. B. Rae: I guess what we have been trying to determine since the House resumed sitting is exactly what form this unalterable opposition is going to take. The Premier's Liberal Party colleagues defeated a private member's resolution which would have given some leadership to the government to indicate precisely what form this unalterable opposition was going to take. I wonder if the Premier can tell us just what other steps he intends to take, in addition to sending it to committee, to ensure that the deal does not go through.

Hon. Mr. Peterson: I do not think I accept my honourable friend's assessment of that situation, that the particular motion that was voted on independently by members of this House would have provided any special leadership.

As the member knows, we have declared our view that we are not going to implement the wine provisions of the free trade agreement. At the moment, that is the one area we can all fix as being within provincial jurisdiction. My honourable friend is aware as well that a number of other areas are under federal jurisdiction. As I have said to him, and as we have done already, we will take the case to the people of this country, who ultimately will pass judgement on it.

But I do not think my honourable friend would want to mislead anybody in any way—and I will retract that word if it is unparliamentary. He would not want to create the notion that, on a trade matter under federal jurisdiction, we have the power in this House to stop that deal, with the exception of the things that are exclusively under our jurisdiction. We have declared our intention not to proceed with that.

Mr. B. Rae: If anybody gave the public the impression that a deal was going to be stopped, it was the Premier during the election campaign. That is who gave the public of Ontario the impression that a deal was going to be stopped. If the Premier wants to go over those texts again, we will go over them.

Can the Premier at least give us the assurance that in addition to moving in the area of wine, where he has indicated the fact that Ontario is going to be moving with respect to the General Agreement on Tariffs and Trade but not with respect to the free trade agreement—can he tell us what he intends to do in the field of resources, can he tell us what he intends to do in the field of services and, finally, can he tell us whether he intends to officially inform the United States Congress of the position of the government of Ontario with respect to the implementation of this deal?

Hon. Mr. Peterson: I have already done that. I have discussed it with members of the US Congress and I have told them why we are opposed to this deal. I think they are knowledgeable of the fact that Ontario and indeed two other provinces are against this deal.

As I said to my honourable friend, we are doing a constitutional audit of what areas could potentially be affected, not only now but also in the future. I think that is going to be an interesting area for discussion. Whether in fact a limitation of powers in the future is something that can be effected today is going to be a very interesting legal question, but the Attorney General (Mr. Scott) is applying his highly trained legal mind to that question and will share that with the member in the very near future.

CHILD CARE

Mr. B. Rae: A new question, to the Minister of Community and Social Services. I wonder if the minister can tell us if it is his view that the announcement that he made today and the announcement that was made last week with respect to child care—which announcement I can tell the minister is in stark contrast to the views of not only all the child care activists in Ontario but also indeed the Liberal Party caucus in Ottawa—that this policy now guarantees subsidized spaces to all children in need.

Hon. Mr. Sweeney: Obviously, that is not the case. What we have clearly indicated by our own provincial program and what our federal counterparts have indicated by their proposal is that we are making a very significant step forward beyond where we are at the present time. From 1985 to 1989, Ontario will be quadrupling the resources it puts into child care. The federal government has announced the figures it is putting in. Those two together will provide considerably more resources in Ontario and in other parts of the country than what are there at the present time. It is a significant step forward. It is not the final answer to everyone's needs.

Mr. B. Rae: The reason I use that particular phrase is that it was the phrase contained in the statement by the member for London Centre (Mr. Peterson), Ontario Liberal leader, on April 4, 1985, announcing the Liberal Party's plans and intentions with regard to child care. It is clear that we have yet another broken promise—as if we needed any more, but there is one more.

The minister says in his statement today that the federal policy is a reflection of the position of the Ontario government. I wonder if he can tell us, does this policy which he announced and

which he is supporting contain, and does Ontario plan that it should contain, the implementation of a policy of contract compliance with companies doing business with the government, so that access to or provision of child care services for company employees will be one of a number of conditions to be weighed in awarding a contract? Is that now the policy of Ontario?

Hon. Mr. Sweeney: The current practice in Ontario is to assist workplace day care operators with an initial grant of \$55,000 to begin the program itself. There is nothing in either the Ontario program or the federal program, as I read it, that would make that a requirement. However, as I am sure the honourable member appreciates, an increasing number of employers are beginning to recognize the value to themselves and to their employees of having workplace day care, if not directly onsite then sufficiently close by to benefit their employees.

Mr. B. Rae: By way of final supplementary, the minister will no doubt be aware that the position of the Ontario Liberal Party as announced on April 4, 1985, also contained this phrase: "Negotiations to phase out the child expense tax deduction and replace it with a child expense tax credit. The minister will know that one of the features of the federal plan which has been most heavily criticized by the child care community in Ontario, and indeed in Canada, is the fact that not only does it not phase out the child expense tax deduction but it increases dramatically the size of the child expense tax deduction. I wonder if the minister can tell us, was it the position of the Ontario government during these negotiations that the child expense tax deduction should be phased out and replaced entirely with a tax credit?"

Hon. Mr. Sweeney: I made essentially that request of my federal colleagues last February when we were first asked to put our proposals on the table. I made the same request and recommendation just last week in Ottawa, indicating that I found it somewhat strange that the federal Minister of Finance had gone on record fairly recently indicating that credits were much fairer for all income groups than were deductions and that here the federal government was introducing a new program based upon deductions rather than credits. I did not support that. I said so very publicly, that I did not support those. I do not support them today. I remind the member, however, that is completely a federal initiative. This minister representing the province had no way of influencing the federal government in that

direction and I believe the federal minister made that fairly clear.

RETAIL STORE HOURS

Mr. Brandt: My question is for the Attorney General. It is with respect to clarification that I would like to receive in regard to the issue of Sunday openings. On December 2, 1986, the Attorney General indicated, "It is a policeman's responsibility...to satisfy himself, with or without legal advice, that he has reasonable and probable grounds to lay a charge." This comes on the heels of the Attorney General's comment of last week where he indicated that the government would not proceed to prosecute any charges that were laid with respect to Sunday openings. My understanding is that the police, on the basis of his earlier statement of a year ago, not only have the responsibility but the inherent right, in their role as police officers, to lay charges when the law has been broken.

Could the Attorney General clarify for us today what his intentions are with regard to the laying of charges and subsequent prosecutions for Sunday openings?

1420

Hon. Mr. Scott: The honourable leader's apprehension of my view is correct. The police have the inherent right to lay a charge and we have indicated that in the interests of fairness, we would not be proceeding with the prosecution of those charges.

Mr. Brandt: I find that passing strange, in that the Attorney General has taken it upon himself to interpret a law which has at this time not been challenged, has not been through the courts.

I would point out to him that, again on December 2, with respect to another matter entirely—and for purposes of refreshing his memory I would remind him that the quotes I am giving him today were taken in the context of his response to both the Morgentaler case and also the Ontario Provincial Police boat incident in the Kingston area—he said: "The point I want to make is that the Attorney General's responsibility is quite clear. It is to prosecute charges that have been laid by the police." Further, he said—and both are from Hansard—"The power of the Attorney General does not include instructing the police about charges they should or should not lay."

Mr. Speaker: The question is?

Mr. Brandt: The Attorney General has, in quite a similar fashion to the Solicitor General

(Mrs. Smith) with regard to Sunday openings, changed his position rather dramatically from a year ago. Now he is taking an entirely different attitude. Could I ask him to further clarify whether he was right on December 2, 1986, or is he right now in connection with the interpretation of the Attorney General's powers?

Hon. Mr. Scott: I do not regard there being any inconsistency between the two occasions. The police have the right to lay a charge, as indeed any informant has the right to go to a justice of the peace and see if a charge can be laid.

If the charge is a significant and important one, as are all of these charges to which the member has referred, the Attorney General or the crown attorneys and the staff take over the prosecution of those charges and the Attorney General and his crown attorney staff have the right to withdraw or fail to prosecute further those charges if they think it right and appropriate and in the interests of justice to do so. That was what was done in Dr. Morgentaler's case and that is what I have indicated will be done on December 27.

Mr. Brandt: I would suggest to the Attorney General that I believe it is his responsibility to enforce the law and to stop making policy on the go, which he is doing in this particular instance. I think he has a responsibility to either amend the present act so that December 27 is legal, or leave it as it is and declare it illegal.

Can I ask the Attorney General whether he thinks it is appropriate that the police officers of this province should be subjected to the useless exercise of laying charges when he has publicly stated today that he has no intention of enforcing the law as it is now on the books in Ontario?

Hon. Mr. Scott: I have made it as plain as I can where I think the responsibility lies; that is, that the police have a right, if they can persuade a justice of the peace that a charge should be accepted, to lay one, as has any other citizen. The Attorney General has to decide if the case thus laid will be prosecuted.

The reason we on the Attorney General's staff are proposing to act on December 27 as we have indicated is that it is our view that retailers under 5,000 square feet in size have taken advantage of an exemption in the statute. The so-called Sabbatarian exemption is an exemption that was entitled to permit someone who, for religious reasons, was prepared to stay closed on a Saturday to open on a Sunday. Taking advantage of that, they have left out of consideration other retailers in excess of 5,000 square feet. They have not been able to get that group through that

loophole. There is an unfairness in the application of that loophole, as I am presently advised, and I do not intend to invite my staff to prosecute in a case if I believe it is unfair to do so.

SCHOOL ACCOMMODATION

Mr. Jackson: I have a question for the Minister of Education. At one o'clock today the Ontario Public School Trustees' Association issued a public statement on the Hamilton-Wentworth school transfers. The OPSTA president, Sharon Campbell, stated that "it is very clear that the only practical solution will be the sharing of school facilities and the construction of new pupil places to meet the needs of both the public and separate school systems."

As cabinet begins to consider the Hamilton-Wentworth school transfers, does the minister not agree with Ontario's public school trustees in 56 boards that the only solutions to this issue are school sharing and the construction of new schools? Does he agree with them?

Hon. Mr. Ward: As the member is no doubt aware, the Education Act sets out specific mechanisms for dealing with accommodation disputes that arise as a result of the extension of full funding. As the member is also aware, the particular dispute in question has been appealed to cabinet, and I do not feel it is appropriate for me to comment on an issue that is specifically before cabinet in an appeal stage.

Mr. Jackson: The minister felt impelled to comment on the issue before the arbitrator had ruled. In fact, in the Hamilton Spectator of October 22 there is reference to his interference in the arbitration process. Speaking on school sharing, they said, "Mr. Ward doubts an imposed solution of that kind would work here." And they quoted the minister as saying, when speaking about new schools, "Building more schools...would be irresponsible, Mr. Ward said."

School sharing has worked in many parts of this province, and as for building new construction, when all parties in this House passed Bill 30 we knew it was going to cost more money. My question is, in order to avoid dividing the students of this province into winners under Bill 30 and losers under Bill 30, will the minister advise cabinet to disregard his prior public statements against sharing and new construction so that cabinet may consider these options or a combination of options in order to defuse this inflammatory situation?

Hon. Mr. Ward: If the member will read the report of the tribunal, he will note that a full range of options was available to the arbitrator, that

indeed each and every one of those was considered and addressed in his report.

Mr. Jackson: Tomorrow hundreds of students from Sir Winston Churchill Secondary School in Hamilton will be gathering outside of this Legislative Building to protest the loss of their school, a school which they consider to be very viable for them. The minister's predecessor, the government House leader, the member for Renfrew North (Mr. Conway) promised on July 4, 1985, regarding Bill 30—I quote from Hansard—that "in implementing this policy, the interests of students in all our schools must be first and foremost in our minds."

By rejecting school sharing and by rejecting the construction of new schools, the minister is driving an unnecessary wedge between public school students and separate school students in this province. He knows full well that we approved this bill in this House with an understanding of the need for co-operation and—

Mr. Speaker: The question is?

Mr. Jackson: —a commitment to putting students first in sharing the educational wealth of this province. Why is he ignoring this spirit?

Hon. Mr. Ward: I can assure the member that indeed the interests of the students of this province will be first and foremost in the minds not only of the Minister of Education but indeed of the entire cabinet in dealing with this matter.

1430

PLANT CLOSURE

Mr. Allen: A question to the Minister of Labour. He may know that Lapp Insulators Inc. in Hamilton on Friday summarily closed its doors on its 47 employees. He may remember that this is the plant which, under the name of Canadian Porcelain Co., caught the imagination of our community and many across the province and country when the workers sought to purchase this plant from a failing management.

The minister may not have had contact with the company or the workers at this point in time, but he will know that this government has consistently failed, all during the last two years when we demanded it, to provide plant closure legislation that would protect workers in this situation.

Does the minister at this point in time have that legislation in hand? Will he stand and announce plant closure legislation that would help us in this kind of situation? If not, what does he propose to do to help these workers at this moment in

Hamilton as their plant is walking away from them?

Hon. Mr. Sorbara: The member for Hamilton West will be aware that we did, indeed, during the last parliament pass a very important bill to deal with plant closures.

I am aware of the situation at Lapp Insulators and ministry officials are keeping abreast of the situation.

I should point out that in case there are layoffs that come within the purview of Bill 85, we would expect—and the law requires, in fact—that a form 1 be submitted in conjunction with any layoff that might arise in that situation.

Mr. Allen: Our estimation is that the circumstances of the plant, the employees and the salary bill there, really do not come within the purview of the government's legislation, as would be the case with a great many other plants in this province. So we wonder how long it really is going to take this minister and this government to bring in adequate plant closure legislation that governs such situations.

This is a plant that in fact, in its recent acquisition of markets and its improvement in production capacity, has been demonstrating its ability to meet market needs in this country and there is no reason it should be walking away from Hamilton.

May I ask the minister whether, failing that legislation, he will in fact immediately contact people in Lapp management and request that they come to Toronto or Hamilton and meet with him and the workers to discuss the future of that plant? There is no reason that plant should be closed. They should be explaining to us why they are doing what they are doing and we should be finding ways to help that plant survive if it is having some trouble.

Hon. Mr. Sorbara: In response to that suggestion, I am very glad to get suggestions from the member for Hamilton West whenever he wants to make them. I can tell him, as I did when he asked his first question, that ministry officials are meeting right now with company officials. I take his view to be one that he expresses seriously.

We, of course, are going to do everything we can to make sure that facility stays open, including insisting that any layoffs be subject to the clear terms of Bill 85.

AMBULANCE SERVICES

Mr. Eves: I have a question of the Minister of Health. Is the minister satisfied with the quality of ambulance services throughout the province?

Hon. Mrs. Caplan: Let me respond to the question raised by my critic in the third party by saying that I believe we have excellent services provided throughout the province. Having said that, we are trying to improve the services at all times.

Mr. Eves: I think the best that can be said is that the service is inconsistent. It is totally unsatisfactory. An inquiry into emergency services by the Ontario Public Service Employees Union has found that the main problem is a lack of uniform standards of service throughout the province.

A few examples: A few months ago in Essex county a rural resident had to wait 45 minutes for an ambulance to arrive. In my own riding of Parry Sound, at the Astorville-East Ferris Community Centre, I was present while a hockey tournament was going on. We had to wait 45 minutes for an ambulance there. At the beginning of this month in Hamilton, Mr. Buzzelli died while his ambulance broke down taking him to hospital. Very recently, of course, in the case of Punch Imlach—although I must admit the response time in Metropolitan Toronto is generally much better than it is elsewhere in the province—the ambulance broke down twice.

The president of OPSEU, Mr. Clancy, says: "We had hoped that the Windsor inquiry which we launched would give the provincial government the kick-start it needed to investigate ambulance services itself. We were wrong. It is time to leave the days of meat wagons behind us and provide all Ontario residents with a uniformly high standard of ambulance service."

Mr. Speaker: Question?

Mr. Eves: What is the minister going to do to improve ambulance service and provide some uniform standards throughout Ontario?

Hon. Mrs. Caplan: Let me say that concerns about ambulance services have been raised by several members, including my colleague the member for Oxford (Mr. Tatham). I would share with both my critic and the other honourable members of this House those concerns about the kind of ambulance service we can provide, that it be expeditious.

Let me suggest that there are always unfortunate circumstances that happen, and I would express my own concern and regret over the breakdowns of recent note that have occurred, which the critic has noted.

I would say in the case of Mr. Imlach that the ministry is investigating. I understand the coroner's office is still investigating and has not made a decision on whether to hold an inquest.

Regarding standards for ambulance services, let me say to the member that I will be reviewing those and would hope we will have a consistent approach across the province.

LANDFILL SITE

Mrs. Stoner: My question is to the Minister of the Environment. He will know that Metro is preparing a request to be exempted from the Environmental Assessment Act on the proposed Brock south landfill site. The constituents in my riding are very upset with Metro's proposal to dump more garbage in our community. Metro should be responsible for its own wastes, dealing with them within its own boundaries.

It has recently been suggested that Metro Toronto's landfill at Brock west is making a net profit and that this is the reason for the reluctance of Metro to move away from landfills. Profitable or not, Metro Toronto should not be in the landfill business making money at the expense of a community to which it is not accountable.

What steps can the minister take to wean Metro Toronto away from landfills to get it into recycling waste products, and what is the province doing to help Metro reduce its reliance on landfill?

Hon. Mr. Bradley: The municipality of Metropolitan Toronto has had the opportunity for the last couple of years to become involved in a major recycling program in the province. As members of the Legislature would be aware, when I entered office some \$750,000 was available for the purpose of recycling. The announcement which I made this week in the Legislature was of a 54 per cent in-year increase—that is in this particular year, let alone what is going to happen next year—and that brings it to almost \$6 million.

The opportunity is there for Metropolitan Toronto to take advantage of it. I am pleased to say that I see some distinct signs of hope, in Etobicoke particularly, where I know the municipality is eager to get involved in a recycling program. I expect that early next year the city of Toronto will be involved in a program, and I expect that by the end of 1988 the entire municipality of Metropolitan Toronto and all of its components will be under a recycling program, because this is obviously the way they should be moving to divert wastes from landfills.

Everybody in the province is going to find out the cost and difficulty of having new sites approved, whether they be sites for incinerators or sites for landfills; that it is going to pay dividends to become involved in recycling

programs; and at the same time, we are going to have the opportunity to ensure that many of the products which are being wasted at the present time are in fact reused.

Mrs. Stoner: As the minister knows, we have a serious odour problem at the Brock west landfill site, and his ministry has ordered corrective action, including gas collections for those gases coming off the top of the site. I have since been informed that, rather than reduce the methane gas that is coming off the site, Metro has been in fact taking measures to increase the generation of methane for the purpose of selling it, again for an additional income anticipated at \$3,000 a day.

It is my understanding that Metro is using highly permeable sands for cover and adding sewage sludge, both of which are designed to increase the methane production in the site and the methane seepage to the surface for collection and sale. There are also concerns that Metro is using absolutely minimal amounts of cover.

Mr. Speaker: The question.

Mrs. Stoner: Metro should be taking measures to reduce, not to increase, the amounts of methane generated within the landfill in order to protect the community from odours. Will the minister please look into this matter and ensure that Metro Toronto is taking the appropriate measures to reduce, not increase, gases?

Hon. Mr. Bradley: It is my understanding that while there is considerable speculation on this, Metropolitan Toronto is not in a purposeful way increasing the production of methane which is generated at the Brock west landfill site. The remedial measures which I have ordered are to collect the gases and to incinerate them. The purpose of this, of course, is to reduce the odours from the site and protect the surrounding neighbourhoods, and that is the prime concern of my ministry.

1440

I know that Metropolitan Toronto is looking at the utilization of those gases—and this is a secondary purpose—which are produced for commercial purposes. This is in keeping with what is preached to me and I preach to others across Ontario; that is, using these materials in the most beneficial way. But it is my understanding that they are not generating more to do so.

On the last part of the question the member asked, I am informed that sand is not being used as a daily cover. The material would be described as a silt with clay-like characteristics, so it is not porous sand that one is discussing. Our ministry

is always evaluating, looking at and watching that project particularly carefully. Metropolitan Toronto itself has, as a result of the pressure, hired an environmental person to look over that particular site to alleviate many of the very legitimate concerns the people of the member's constituency have.

TRADE WITH UNITED STATES

Mr. B. Rae: I have a question to the Premier on the subject of free trade. Mr. Gasket is an American company which makes mufflers and exhaust systems. It announced last month that on January 15, 1988, it was going to be closing a plant in Rexdale with more than 200 workers and that the jobs from that plant will be transferred into the area of Mexico that is known as the Maquiladora industrial zone. Workers who are making \$8.50 an hour will be replaced by workers who are making 65 cents an hour.

What does the Premier intend to do to protect Ontario workers who are affected by this kind of threat to their jobs? Immediately, what does he intend to do to protect workers in this particular industry?

Hon. Mr. Peterson: I am not familiar with that particular case but, obviously, concern has been expressed about two things; first, the provisions under the so-called free trade agreement, which we think are very detrimental. Indeed, under the federally negotiated deal, we are probably going to see more, not less, of that.

There are, as the member knows, no protections and no safeguards for Canadian production of parts. The question my honourable friend raises with respect to transference of jobs under a trade arrangement between Mexico and the United States is a further complication of that.

I am glad my honourable friend raised that particular case. I was not familiar with it, but I think it is indicative of the kinds of thing we could see more and more of in the future. That is another reason all of us have to stand and point out the problems in this trade agreement.

Mr. B. Rae: I am delighted to hear the Premier's rhetoric. The concern we have on this side of the House is that he campaigned in the last election, saying that if the auto pact were gutted—and he cannot doubt that this is a classic example of how that is taking place, surely he would agree with that—there would be no free trade deal.

I recall those words very clearly. It was an election campaign which I not only participated in, I also listened very carefully to the words the Premier used across the province. There are

many, many workers in those industries, obviously, who voted for him. In fact, I would suspect there are many workers at G Enterprises who voted for him, specifically because he told them there could be no free trade deal if it gutted the auto pact and if it destroyed their jobs.

I would like to ask the Premier just what he is going to tell those workers, now that they have voted for him in numbers that obviously give him a majority in this House. Just what does he intend to do now to make sure there can be no free trade deal? Does he not think they are entitled to know now, not three or four months from now but right now, what his bottom line is?

Hon. Mr. Peterson: This is the same question my honourable friend has asked me on at least six or eight or 10 other occasions, and my answer to my honourable friend is the same now as it was then.

Ontario stands unequivocally opposed to this agreement. My honourable friend, I am sure, being the constitutional scholar he is, will understand the parameters of our own influence and power in this particular deal that has been struck. This particular deal, as you know, is not a theoretical deal, but a deal, indeed, that in our view does not serve this country or this province well.

I have said to my honourable friend that I believe when more and more people become enmeshed in the details of this deal they will share the view that my friend opposite and I, and our respective parties, have on this particular situation.

But he knows and I know that the resolution is at a federal level. If I had the power under this particular deal, I would say, "Absolutely not." I would not sign in that situation and neither would the honourable member. My friend the leader of the third party probably would in those circumstances.

We have to continue to raise our voices against this deal, do what we can to prevent its implementation, and the resolution will be at a federal level. It will be at the level that the government has the right and responsibility to make federal agreements. This just happens to be a very, very bad one.

AFFORDABLE HOUSING

Mr. Cousens: I have a question for the Minister of Housing. During the election campaign, the Premier (Mr. Peterson) was making a number of promises. One of them had to do with housing, how he would use government-owned lands to construct new, affordable homes, and he

had a number of about 4,000 where he could have a reduced price to buy homes.

Recently it has been announced that the Minister of Government Services (Mr. Patten) has sold more lots out in Malvern that could have been used for affordable housing, and certainly to solve some of the problems out there. It would seem that the Minister of Government Services is out there trying to make money selling off government-owned land. Meanwhile, there is another promise that the minister should be working hard to fulfil—and I am sure she is—to provide—

Mr. Breagh: This is inventory you did not know about last week.

Mr. Cousens: Oh, I knew.

The minister should do something to meet the needs of those people who want to buy their homes. Could the minister please tell this House what provincial government owned lands in and around Metropolitan Toronto will be released to provide the campaign pledge of 4,000 affordable units on crown land?

Hon. Ms. Hošek: The reference the honourable member makes today is to some lands in Malvern, and I think he would be interested to know that there are about 10,000 housing units in Malvern now; 5,201 of them are either nonprofit or affordable housing units. So more than half of the units currently in Malvern are actually nonprofit and low-cost housing.

Mr. Cousens: Does that mean there should not be any more? But that is not my supplementary.

We have got to watch this. We are getting all these statistics and we are forgetting these promises that come from the government. Last week I found out that the education promises in the campaign really are not worth that much; we found that the insurance promises are not worth that much, and the minister has to fulfil the promise of 102,000 affordable rental units by 1989. Now, that is a promise. It stands as strong and as loud and clear in the minds of the people of Ontario as all the others. I am not going to let the minister forget it.

An hon. member: How many in Markham?

Mr. Cousens: Markham will get its share, but I am more interested in the places where the minister is going to do something.

Mr. Speaker: Question.

Mr. Cousens: This minister has not answered a question in so long—I think she has got another answer and she is saying, “I wish he would ask that question.”

Mr. Speaker: Try again.

Mr. Cousens: I want the answer to this one: What government lands are being considered—

Mr. Haggerty: Put it on the order paper.

Mr. Cousens: Oh, the order paper.

What government lands are being considered by her ministry for housing in and around Metropolitan Toronto? Will the minister give this House a listing of all crown lands being considered for housing in the Metro area, please?

Hon. Ms. Hošek: Let me assure the honourable member and the rest of the House that the commitment of this government to supply and to use government lands to increase the supply of housing which people can afford is firm. Over the past year 600 units have been assigned in the Malvern area. Four nonprofit groups in the Malvern area have been assigned 600 affordable housing units.

Let me remind the member opposite of an article in the Toronto Star that was written not very long ago:

“Municipalities such as Markham have been accused of zoning all their vacant lands for upscale single-family dwellings, enabling them to develop pristine communities that virtually lock out the less fortunate. The town of Markham encourages high-end housing. When our children leave home they cannot afford to live in the community.”

The member opposite will be well advised to be involved in the process of the solution rather than that of the problem. The government lands we have are being actively considered for the supply of affordable housing right now.

Interjections.

Mr. Speaker: Order. I would remind the member for Markham (Mr. Cousens) that he asked a question. Now the member for Eglinton (Ms. Poole) would like to do so, if you will allow it.

1450

PROPERTY TAXES

Ms. Poole: I have a question for the Minister of Revenue. Two weeks ago, the special Metro council committee on reassessment recommended that a capped, phased-in version of a section 63 rate reassessment be adopted by Metro council. At that time, the minister was quoted in both the Globe and Mail and the Toronto Star as reaffirming the Liberal government's pledge not to impose the controversial reform unless all six Metro municipalities are in favour of it.

I will quote from the November 19 Toronto Star. "‘If the city of Toronto is to say no to the proposal,’ Grandmaitre said, ‘no, we wouldn’t do it. We are looking for the six municipalities to say yes’ to a standard tax reform plan, he said.”

This weekend, these same two Toronto dailies carried conflicting reports as to whether this remained the intention of the government. According to the Globe and Mail on Saturday, December 5, and I quote—

Mr. Speaker: Question, please.

Ms. Poole: Would the minister clarify whether the Globe and Mail report of Saturday, December 5, where it said, "Ontario Revenue Minister Bernard Grandmaitre backtracked this week from earlier comments that appeared to kill the plan," is in conflict with a report this morning in the Toronto Star that Metro assessment—

Mr. Speaker: Order.

Ms. Poole: Would the minister confirm which of these articles is indeed accurate?

Hon. Mr. Grandmaitre: I know the member for Eglinton and, for that matter, every member representing Metro is very interested in this complex and very divisive issue of Metro tax reform. I can assure the member and every member of this House that our policy since we formed this government has been not to impose reassessment on any municipality, region or county government, and we maintain this policy.

I want to remind this House that the Richmond plan of reassessment or tax reform in Metro is a nonstandard section 63. For that reason, I want to consult my cabinet colleagues as to the possibility of working out a plan with Metro so that all municipalities will be satisfied. Until all municipalities are satisfied, it is difficult for me to add anything else. I will have to wait for that Metro vote tomorrow evening.

Ms. Poole: I realize that the matter is before Metro council tomorrow night and that the minister might understandably be reluctant to take a firm position before that vote is known. However, can the minister give me his personal commitment at this time that the residents of Toronto will be protected by the province in the event that Metro council adopts the subcommittee’s recommendations?

Hon. Mr. Grandmaitre: Again, I would like to remind the member that we have never imposed tax reform on any municipality in this province and we do not intend to do it this time around.

WOMEN’S HEALTH SERVICES

Mr. Reville: I have a question for the Minister of Health. The minister last week announced the

establishment of a regional women’s health centre at Women’s College Hospital.

Will the minister give details on how the establishment of that centre will actually increase access to abortion services rather than simply streamlining or rerouting the referrals? Can the minister tell us, for instance, how the establishment of a central phone number that women can call will actually increase the number of abortion procedures performed?

Hon. Mrs. Caplan: The women’s health centre, which was recently announced at Women’s College Hospital, is far more than just a referral service for abortion services. However, since the member has raised that as a specific issue and since that is an important component of the services provided at this women’s health centre, I will be pleased to respond.

The purpose of the centre is to ensure access by women of Metropolitan Toronto to needed services, including that of therapeutic abortions. The centre, the details of which were fully announced last week, has, in conjunction with the centre, referral to Metropolitan Toronto hospitals that are presently doing and have therapeutic abortion committees and offer therapeutic abortion services. Those facilities will enhance their services to meet the needs of the women of Toronto.

Mr. Reville: The minister, towards the end of her answer, began to get close to the answer that I was after.

She will know that Toronto General Hospital performed about 2,000 abortions in 1986 and that in the two hours its phone number is open it books all the procedures that it can handle in a week. Likewise, the Wellesley outpatient clinic has a telephone number that one can call. It does only first-trimester abortions. It does three or four a week. In fact, we know precisely how many abortions each of these hospitals can perform a week.

Will the minister now tell us how she is going to ensure access, given that there are serious constraints on the number of procedures that can be performed because of the amount of operating room time that is allocated to these procedures?

Hon. Mrs. Caplan: Let me say I do not believe this issue is simply a question of numbers. I believe it is an issue that requires sensitivity and one which, as we know, raises concern from a number of sectors.

We have a commitment from those hospitals participating, along with Women’s College Hospital, to ensure that the needs of women of Metropolitan Toronto are met. I believe we will

be able to accomplish that with the plan we have put in place.

RETAIL STORE HOURS

Mr. Sterling: I have a question of the Attorney General. I was quite astounded at his previous answer to our leader's question with regard to why he was not prosecuting people who are open on Sunday who have greater than 5,000 square feet in their stores. Could he tell me who made that decision? Was it he in his capacity as the Attorney General, or was it the cabinet of Ontario that made that decision?

Hon. Mr. Scott: I made that decision.

Mr. Sterling: The rule of law as defined in Black's dictionary provides that decisions should be made by the application of known principles or laws without the intervention of discretion in their application. Does the Attorney General believe he is living within the rule of law in making this decision?

Hon. Mr. Scott: The Attorney General has those powers and those powers are part of the law. They should be carefully exercised, as I believe they were in the two cases we discussed earlier today, but sooner or later the time comes when decisions like that have to be made and one simply makes them as well and as carefully and as cautiously as one can.

NURSING HOME

Mr. Speaker: The Minister of Health has a response to a question previously asked. By which member?

Hon. Mrs. Caplan: I would like to respond to a question previously asked by the member for Windsor-Riverside (Mr. D. S. Cooke) regarding Caressant Care St. Thomas Nursing Home in St. Thomas.

In light of the concerns which have been raised by members of the local community, I have asked a senior ministry official to visit St. Thomas and review the situation. At the same time, representatives of the Ontario Nursing Home Association will also review the proposed plan. As I said previously, the most important consideration for me is quality of care. I want to be sure that the care needs of the residents are fully met.

I would like to thank the member for Elgin (Miss Roberts) for her interest and for her efforts on behalf of the local residents.

Mr. D. S. Cooke: I would like to ask the minister, since she knows her staff have been involved in this issue for quite some time and she

knows there was a similar type of situation in Woodstock and Tavistock with the same owners, is she or is she not prepared to stop the forced relocation of these residents at this nursing home in St. Thomas?

Hon. Mrs. Caplan: I announced today, in response to the question previously asked, that I have asked a senior ministry official to visit St. Thomas to review the situation in light of the concerns raised by the member for Windsor-Riverside and as well by the member for Elgin. I will review what the senior official has to say and respond at the appropriate time. Let me also say once again that I believe quality of care for the residents must be addressed.

1500

WATER QUALITY

Mr. Pouliot: To the Minister of the Environment: What is the minister's response or reaction to recent findings in both Manitoba and Ontario attesting that there are increased mercury levels on account of water reservoirs created by electric utilities, to a level that might jeopardize fresh water fishing, sport fishing in important watersheds such as Lake Nipigon, which is the largest body of fresh water in Ontario beyond the Great Lakes?

Hon. Mr. Bradley: As the member may be aware, the Ministry of the Environment, on an ongoing basis and in co-operation with other provinces, undertakes studies designed to determine the effect of any substance getting into our waterways. One of the problems we are confronted with in certain circumstances is leaching. I will not call it natural leaching; it is sometimes leaching produced by acidified rain from various sources in Canada and the United States falling and causing mercury to get into our waterways.

In terms of any projects of this kind that might have an effect, naturally, I will be happy to consult with the minister from Manitoba, a good friend and colleague of mine who, as the member knows, is one of the co-chairmen of the National Task Force on Environment and Economy, to see if, together with the other ministers, we can come up with solutions to a potential problem, which would be characteristic across Canada if people did studies in other provinces.

Mr. Pouliot: The minister talks a good line, but the fact is that he has been rather coy in dealing with Ontario Hydro. When he is talking about characteristics that are conducive to leaching, he is talking about impediment or manipulation by Ontario Hydro. What steps, what remedial action is the minister willing to

take so that we will be able to keep on fishing for food and fishing for fun?

Hon. Mr. Bradley: Ontario Hydro, as the member would know, would be subjected to the same rules and regulations as people in the rest of the province. The member would know, as my good friend the leader of the third party would know, that the largest fine obtained by the Ministry of the Environment is a fine of \$141,000, I think, against Ontario Hydro for the improper handling of polychlorinated biphenyl waste. I think that if we were to suggest that Ontario Hydro is treated differently, there might be some who would make the case that we are harsher on one of the crown corporations of the government of Ontario as opposed to being easier. It would be equally inaccurate to suggest that, because we treat all equally in Ontario.

I want to assure the member that all rules and regulations and legislation of the Ministry of the Environment apply as equally to Ontario Hydro as they do to any other corporate entity within Ontario. I want to assure him that I know the minister from Manitoba will be supportive next year when I raise the issue of a national superfund. I am sure that we will join together in solving this problem.

PROGRAMS FOR DISABLED PERSONS

Mr. McLean: My question is for the Minister without Portfolio responsible for disabled persons. Can the minister tell this Legislature what his budget is for this fiscal year.

Hon. Mr. Mancini: I believe the number the member is looking for is approximately \$7.3 million.

Mr. McLean: At the 1987 Community Action Awards ceremony—unfortunately, I could not be there—which were held on Friday, November 27, the minister warned the audience that “as a government, we can’t fund everything. It is just not possible.” Will the minister enlighten this Legislature about the program cuts he expects to make in his ministry and where those cuts will be?

Hon. Mr. Mancini: There will be absolutely no program cuts in the ministry for the disabled. What I was indicating at the time was that the government would be keeping its promises with respect to what was enunciated during the election campaign and that at that time I could not promise anything further. I could not promise at that time the creation of any new programs, but I think if the member will hold on for a while, he will be pleased by what happens.

WOMEN’S HEALTH SERVICES

Mr. Callahan: My question is to the Minister of Health. The member for Riverdale (Mr. Reville) in his question to the minister seemed to place considerable emphasis on the fact that these women’s centres are basically to provide access to abortion. It is my understanding that they provide a great deal more. Specifically, I asked the minister earlier a question in the House with reference to community involvement in setting up in continuity with these committees provision for alternative measures. Will these community organizations, if they approach the ministry, be entitled to participate in the funding and also to advice and assistance from the ministry in dealing with these community organizations?

Hon. Mrs. Caplan: I would like to thank the member for the question, because it gives me the opportunity to reiterate the services provided at the women’s health centre at Women’s College Hospital and also to talk about our approach to the provision of women’s health services generally.

The approach we have taken is that women’s health should be dealt with in a comprehensive fashion. The needed services provided to women at the Women’s College Hospital centre will include many services such as counselling on alternatives to abortion, pre-abortion counselling, post-abortion counselling, including family planning information and a range of services provided in all areas of reproductive care. I want to stress that, because our commitment to women’s health is clear.

We have asked for proposals and will continue to ask for proposals from across this province to meet the needs of women’s health. Groups, community groups and community-based groups as well as hospitals will be encouraged to bring forward proposals to the ministry to respond to the needs of women.

Mr. Callahan: I am particularly pleased with the aspect of these community centres that deals with the question of providing information as to—

Mr. Breaugh: Still on side with the government, eh?

Mr. Callahan: I am more interested in that than what the member for Riverdale is interested in.

I am interested in the question of providing, which I think in a very positive vein is a positive step, information regarding alternatives to abortion, recognizing that the government’s policy in setting up these women’s health centres is going to put emphasis upon that aspect. I would ask the

minister to consider, if this is the policy, that perhaps that might also be included in the advice, if it is not already the case, that is offered by hospitals that are not the subject matter of these women's health clinics at this time.

Hon. Mrs. Caplan: Let me say to the member and for the information of all members of this House once again that women's health services will be dealt with in a comprehensive fashion. We have already noted at Women's College Hospital, for example, that they have a list of many firsts in the provision of services to women such as the treatment of sexual assault and funding for rape crisis centres. The ministry has funded numerous research projects for women's health issues. We believe the area of women's health requires a comprehensive response and that is the approach this ministry has taken.

PETITION

NATUROPATHY

Miss Martel: I have a petition signed by 130 people, which begs the government to introduce legislation that would guarantee naturopaths the right to practise their art and science to the fullest without prejudice or harassment. I would like to state I am in full agreement with them.

1510

MOTION

COMMITTEE SITTING

Hon. Mr. Conway moved that the select committee on constitutional reform be authorized to meet on Tuesday, December 8, 1987, following routine proceedings.

Motion agreed to.

INTRODUCTION OF BILLS

MINISTRY OF COLLEGES AND UNIVERSITIES AMENDMENT ACT

Hon. Mrs. McLeod moved first reading of Bill 58, An Act to amend the Ministry of Colleges and Universities Act.

Motion agreed to.

Mr. Speaker: Does the minister have a brief explanation?

Hon. Mrs. McLeod: I think the explanation will come forward at a later point.

MUNICIPAL STATUTE LAW AMENDMENT ACT

Hon. Mr. Eakins moved first reading of Bill 59, An Act to amend the Municipal Act and Certain Other Acts Related to Municipalities.

Motion agreed to.

Hon. Mr. Eakins: This legislation addresses a number of issues that have been brought to the attention of the government by individual municipalities and by the various municipal associations. It will, for example, increase from \$50 to \$75 the annual fixed-rate payment made to municipalities for each permanent student in a university or a community college, for each resident placed in a correctional institution and for each patient bed in a public hospital or a provincial mental health facility. This will confirm the commitment made by the Treasurer (Mr. R. F. Nixon) to increase annual payments on these institutional properties.

The legislation will also give municipalities more flexibility to respond to their liability insurance needs by allowing them to self-insure, to participate in reciprocal insurance exchanges and to provide liability coverage to volunteers working on their behalf.

These changes were recommended in the final report of the minister's Advisory Committee on Municipal Liability Insurance in Ontario and have the endorsement of the Association of Municipalities of Ontario.

ENERGY AMENDMENT ACT

Mr. Wildman moved first reading of Bill 57, An Act respecting the Sale of Farm Machinery and Equipment in Ontario.

Motion agreed to.

Mr. Wildman: The purpose of the bill is to regulate the sale of farm machinery and equipment in Ontario. The bill establishes the farm machinery and equipment board to carry out several tasks respecting the sale of farm machinery and equipment. The board is given authority to investigate complaints and mediate disputes arising from the sale of farm machinery and equipment and may establish inventory guidelines for vendors of and dealers in farm machinery and equipment. The board may also make recommendations to the minister concerning safety requirements and parts standardization for farm machinery and equipment.

Among the other principal features of the bill are the following: Dealers are required to provide certain emergency repair parts on 72 hours' notice; where a dealer fails to make repair parts available within the times required by the bill, the dealer is liable to pay the purchaser an amount equal to one half the normal rental rate for the farm machinery and equipment. The bill sets out warranties applicable to the sale of farm machinery and equipment as well.

HAMILTON CIVIC HOSPITALS ACT

Ms. Collins moved first reading of Bill Pr24, An Act respecting the Hamilton Civic Hospitals.

Motion agreed to.

ORDERS OF THE DAY

ONTARIO AUTOMOBILE INSURANCE BOARD ACT (continued)

Resuming the adjourned debate on the motion for second reading of Bill 2, An Act to establish the Ontario Automobile Insurance Board and to provide for the Review of Automobile Insurance Rates.

Mr. Speaker: The member for Hamilton Mountain was speaking on this subject when he adjourned the debate. Is there anything further?

Mr. Charlton: After very careful consideration and thought, I have decided that my comments are completed.

Mr. Runciman: I appreciate the opportunity to offer a little bit of input into this very important debate. I want to thank the members of the official opposition for carrying on with the debate in my absence. I was not able to participate on Thursday and they kindly volunteered to carry on. Of course, I do not think it was any great hardship on the members of that party, because we know they are a notoriously long-winded bunch. They did admirably, in any event.

I did have the opportunity to listen for a period of time to the observations of the member for Welland-Thorold (Mr. Swart), always an enjoyable speaker to listen to. I certainly do not share his views on too many things but I do have a great deal of respect for his sincerity and his dedication to his role as a member of this Legislature.

My party is not going to support Bill 2 in its present state. At some point, whenever appropriate, we will be introducing a number of amendments.

I mentioned in a press release in November that I felt Bill 2 was really the first step in a government-run auto insurance program for this province, a step down that very slippery slope and one about which we have a great deal of concern. I think the second step is going to be presented to us next year when the government proposes a no-fault auto insurance program for this province. Obviously, in our view, what we are talking about is that at some point, if we have a rate-setting board and a no-fault system, it is a very easy third step to move into a government-run program.

We think that the folks in the industry who are supporting these initiatives are mistaken, although we can understand their position somewhat, given the environment of the past couple of years with respect to automobile insurance and the environment in this Legislature where we had the governing party supported by the New Democratic Party.

In their wisdom or lack of same, they determined this would be the issue for that party and applied a considerable amount of pressure to their governing partners, who acceded to some of their requests and moved in directions which we do not believe are appropriate in a free enterprise economy and are not in the best interests of this province or this province's consumers in the long run.

1520

We have gone through an election and we might ask why we are at the stage where the government is continuing to pursue quasi-socialist initiatives, in the sense of further intervention in the private sector, by establishing a rate-setting review board. We really have great difficulty in determining why they are doing this when the Liberals very obviously won the election and won it in a big way. The New Democrats made this the number one plank in their campaign and were rejected by the electorate.

The Minister of Financial Institutions (Mr. R. F. Nixon) has not been reticent about pointing this out in the House on a number of occasions, but still they continue down this slippery slope. I suppose they could argue: "We are not going all the way. We are not going for a government-run program." But again I emphasize that this is a significant step in that direction, and we have a great deal of difficulty in determining why the government persists in forging ahead. In this respect, they are also going against the recommendations of the Slater task force which they established and financed.

We have to wonder whether one of the reasons perhaps is that the Toronto Star, the unofficial government organ, has for some time been advocating a position comparable to that of the NDP—a government-run, no-fault system. We know the Star has a direct pipeline into the decision-making folks in this government. Perhaps it has undue influence, I do not know. The paper itself certainly takes a continuous and without-wavering approach in terms of political theology to the very left of the spectrum.

In a CBC radio interview recently, John Honderich, who is the editorial-page editor for

the Toronto Star, was asked whether the Star distorted its news coverage, its headline writing and its article placement to coincide with the editorial positions of the paper, and Mr. Honderich said, "Yes, we do." They had another chap from the Globe and Mail and asked him if he did that at his paper. He said: "Of course not. That goes against the grain of what newspapers are supposed to be about. It goes against the grain in terms of belief in the objectivity of the print media."

Mr. Honderich, the surprising source, indicated quite publicly that the Toronto Star is indeed a very biased journal. That is not a surprise to those of us who have been observing it for the past number of years. In terms of the source, the individual who said publicly that the Star is indeed doing that, bastardizing the process, was none other than the editorial-page editor and, I gather, the son of the publisher, Mr. Honderich.

Perhaps the Star is having an undue influence in terms of government policy. Who knows? It obviously has some impact. It had an editorial in this past weekend edition, "No-Fault Plan Needed." That is a moderation in tone in terms of several months ago when it was continuously urging a government-run, no-fault program; now it is talking about needing no-fault.

That is a clear indication to me that we are going to hear a statement from the minister in response to the Justice Osborne report, which is somewhat overdue. November 1 was the original indication of the date for release, and I hear it is at the printers. The government knows the recommendations contained therein, so obviously the Toronto Star knows what the recommendations are and that editorial reflects it. I do not think that is a long reach, not at all, based on what we have seen in the past couple of years.

They were also talking in the Toronto Star editorial, which I think speaks for the government—again, I want to emphasize that—about the New Zealand experience. If someone takes a look at what has happened in New Zealand in this respect, I do not think we would be terribly enthused about getting involved in a process similar to the one in New Zealand.

We simply have to look at the Workers' Compensation Board in Ontario as an example of the kind of quagmire we can get ourselves into in respect to automobile insurance in this province if we adopt the New Zealand model as the one we want to see developed in this province. It is a very serious mistake. As to no-fault, when the government does ultimately make those recom-

mendations, we are not going to support that thrust.

As I have indicated, we cannot accept the concept that no individual should have to be liable for his own actions and that the cost of any risk should be distributed among all members of society. I think we all agree that this is a litigious society, but we urge the government to correct the system through tort reform and not through legalized abdication of responsibility.

If we go to no-fault, why stop at auto insurance? What if someone slips in the bathtub and injures himself? The member for Hamilton Centre (Ms. Munro) might relate to that one. Do they deserve compensation regardless of fault? You can pursue this one at great length. Perhaps that is the ideal society but it is certainly not realistic. It is a position and a thrust by this government that we will not be supporting. We simply do not buy it. In this party, we believe in the ethic of responsibility, that individuals must face the consequences of their own actions.

I want to say just briefly that this thrust in my view reaffirms essentially that this is an antibusiness government. We have talked about this in the past two and a half years, and I think the business community essentially said: "Look, they are under a great deal of pressure from the socialists in this province. They have to do things that they really do not believe in, things that go against the grain of the Liberal Party of Ontario."

In this party, we were saying, mostly to people who obviously were not listening, based on the results of September 10, that that party is essentially antibusiness. If you look at the key players in that party, the handful of people who are making the decisions, they feel quite comfortable indeed with an antibusiness attitude.

Take the Attorney General (Mr. Scott), for example, a former fund-raiser for the NDP. There is a gentleman who is a key player, a key decision-maker in this government. I look around this room and I am sure there are people who are very much free-enterprisers in that party and in that caucus, but how much input do they have in the decisions their cabinet, their executive council is making? It is negligible.

The people who are really going to make the decisions are to the left of the majority of that caucus sitting over there. They know that and I know that. Most of them have only been around here a little while, but they know they have a very definite socialist slant in terms of the power brokers in that party. It is going to show. It is showing in this initiative, Bill 2. It is going to show in the no-fault auto insurance the Minister

of Financial Institutions is going to be proposing in the next couple of weeks.

Mr. Fleet: Your government introduced no-fault.

Interjections.

Hon. Mr. Elston: It wasn't me, Bob says.

Mr. Runciman: OK, I am going to get into the interjections. The government members are interjecting in respect to very limited no-fault provisions in the current act. We did indeed introduce those and we continue to support them.

What we are taking about is significantly different. If the gentleman would take a look at it, I think he could appreciate that. What his party is proposing and will be proposing is doing away with the ability to take someone who is at fault through the court system and ensure that individual faces the consequences.

In fact, we believe the current, limited no-fault provisions should be enhanced. They have not been amended since, I believe, 1979 and we believe there is certainly a need to enhance that. Again, I think that goes against the argument of complete, comprehensive no-fault, where it is not really reacting to the current state of the economy, the cost of living and so on. Again, it is, in my mind, a black mark against comprehensive no-fault.

1530

Going back to Bill 2, we do support a review board, but we believe the review board should have authority only to review the proposed rates that the industry is desiring for the coming fiscal year and to comment publicly on those proposals. We think if there are problems there, they are going to be exposed. The bad actors are going to be clearly indicated to the public.

I think that kind of monitoring agency is going to be adequate. We do the same sort of thing with the Ontario Energy Board. No one is suggesting—up to this stage, anyway—that the Ontario Energy Board have rate-setting authority. We may see that coming. There is probably more of an argument in respect to the Ontario Energy Board when we are dealing with, for example, Ontario Hydro than there is with the private sector in the auto insurance field.

We think a reviewing agency with the ability to comment publicly is going to be sufficient and would preclude unjustified government intervention into the private sector. The people who are really going to suffer by these initiatives are the consumers. There is no question, short-term and long-term, that the consumers are going to take it in the neck.

If we just look at some of the short-term consequences, what are the costs of running this review board with a full-time chairman, vice-chairman, associated staff and resource people? In the overall picture of the cost of government it is probably not going to be all that significant, but it is going to be a lot of dollars to the average Joe. In this House, when we look at the individual dollars going to this board and the operations of this board, they are going to be fairly significant. Who is going to pick up the tab for that? We know who is going to pick up the tab. It is going to be the consumers of this province.

When we take a look at this government's experience in terms of its payments for agencies, boards and commissions, it is enough to make us shudder. We can look at the Social Assistance Review Board, which we have been talking about; the salaries for those members are significantly increased since this government took office. The mental health review board is another one where the former chairman was making \$150 per diem. Now the government is paying the chairman of the mental health review boards \$550 per diem, a 500 per cent increase, and that is happening across the board with agencies, boards and commissions in this government. Not only are we putting all those Liberal hacks into these positions, but boy, are we sweetening the pot for them. We are increasing the per diems by 400 per cent to 500 per cent. Those guys are going to make up for those 40 years in about six months; there is no question about it.

Mr. Ballinger: We will never make up for it.

Mr. Runciman: The government is sure giving it a good try; there is no question about that.

When we talk about the short-term implications of this bill, references to the changes in risk classification, I think this is something we have to take a very close look at in terms of its impact on the consumers of this province.

There was an article in the Globe and Mail last week which indicated that the impact was going to be tremendous in terms of some of the people. Females under the age of 25 could be looking at increases of up to 50 per cent, and 10 per cent across-the-board increases for those over 25. We are talking about significant increases of which the silent majority out there are really not aware at this point. They are not aware of the problems that consumers in this province are going to face because of initiatives that this government has to take complete responsibility for. The government cannot blame it on these guys over here,

because they are not in a position any more to force it to do things that they have been trying to force it to do for the past two and a half years.

Those guys have to carry the load on this one, and a couple of years down the road, when they are facing the electorate again, they are going to have a lot of problems with this one when we look at what this has cost consumers and what the implications are for the long term.

When we talk about the long term—getting away from the cost of running this committee, getting away from the changes in risk classification—let us take a look at the analogy between establishing this kind of board and establishing the rent review board. It is quite comparable, really, in many ways.

I think the rent review act was brought in in 1975 or 1977. Again, the government of the day was under a great deal of pressure from our friends over here. I think Mr. Lewis was the leader of the party at the time.

Hon. Mr. Elston: Is this the same guy that Brian Mulroney took up to do foreign policy?

Mr. Runciman: Same guy. For reasons best known to the Premier of the day—I am indicating that it was a mistake. I do not believe the Minister of Housing of the day even was aware of the policy until it was announced.

In any event, they made that mistake, and it has been an error that has been compounded ever since. It is a problem that has grown like Topsy. We do not know how to get out of it, and now we are in a real housing crisis in this province. I think we can go back to the implementation of rent controls by a Progressive Conservative government. I do not want to back away from that. There is no question that that was the case; it is a matter of record.

A mistake was made. They could not back away from it, and these guys do not want to back away from it. What have they done? They have extended controls to buildings built after 1975. They have compounded it. But they have got themselves into a problem, and it is a very difficult problem to extricate yourself from. I know that. I live in a riding where we do not have a great many tenants. I did a poll a number of years ago, and over 80 per cent of the people in my riding wanted to retain rent controls. It is a difficult thing to get yourself out of once you are into it. We are in a desperate situation in terms of housing in this province, and no one wants to stand up and say that rent controls are the major reason behind the housing crisis in this province.

Now we are about to embark on a similar kind of situation in the auto insurance field. We are

not paying any attention to the lessons of history. Take a look at what is going to happen. You know, we get into a situation where you are going to regulate this industry extensively, and that again is a double-edged sword. Regulation leads to lack of competition and leads to another kick in the pants to consumers. But, at the same time, down the road we are looking at perhaps gradually reducing the number of private sector insurers. We are going to continue to reduce competition significantly in that industry, and we may get to the point where the competition is so limited that the government has to look at stepping in to fill a void—no other alternative, according to the government of the day, according to the public demands and so.

This government is going down that slippery slope. I am predicting it today and I feel pretty darn comfortable predicting it. They are going down that slippery slope. These guys may not be around here and I may not be around here, but we are going to head that way. We are going to end up in that kind of mire, and boy, oh boy, is it going to be tough to get out of it. It is going to get the consumers of this province in the neck. We are all going to pay the price.

Maybe that great sage Conrad Black had it right a couple of years ago when he was talking about being frustrated as a conservative by what is happening in this country. Perhaps we have to go all the way: have a national socialist government. We need a socialist government in this province. Let us go all the way, put this country down the tubes and maybe that is the only way we will find out. I do not know, because it is certainly a difficult sell. It is a really frustrating problem for anyone who believes in the free enterprise system.

So you guys over in the back row do not have any concerns. You are there for four years. Keep your seats warm.

Mr. Ballinger: You were in the back row once.

Mr. Runciman: Yes, and I know what it is all about.

You know, talking about insurance, it was funny. We were talking about something with the Premier (Mr. Peterson) the other day in question period. My friends to the left said, "Well, why didn't you do something about it?" I will tell members, I was a government back-bencher who tried to do something about it.

Mr. Dietsch: You are still here.

Mr. Runciman: Yes, that is right. I will indicate to this gentleman to try to do something about it as a government back-bencher, and we

will see how much he accomplishes. Already we know there is a small clique running this government. These guys do not have any input and they will not have any input. It is all a charade. Nothing has changed.

1540

Getting back to this bill, we talked about a change in the risk classification system. I would urge all members to take a look at the experience in the state of Montana when they went to the unisex formula. It has resulted again in some significant cost increases to consumers. Essentially, the consumers who do not merit those kinds of increases. The safe drivers, the people with good driving records are the people who are suffering under this kind of initiative and who will suffer under a comprehensive no-fault program.

A few brief comments about the four and a half per cent increase that the minister announced in his comments last week. Again, it is this whole problem, like increasing rents: Who deserves them, who does not deserve them; what is fair and what is not fair?

I know that some of the insurance companies had not increased their rates since July 1986. Others increased their rates on April 1, 1987. The minister comes in with an announcement: four and a half per cent. The company that goes back to 1986 is still only allowed a four and a half per cent increase, and the company that had one already this year is going to feel quite legally justified in kicking its consumers again with another four and a half per cent increase.

The company that had its last increase in 1986 is now going to close off that business, I have been advised, and there is more than one in this category. They are simply going to close off their business, and why should they not? They are not being treated fairly by the government; they are not being treated fairly by the minister.

Again, the consumer is going to have to go to the company, for example, that just increased its rates by six per cent, I think it was, in April, and now the government says, "You're entitled to another four and a half per cent in January." Over a very brief period of time, we are looking at about an 11 per cent increase, and that is the kind of company the consumers of this province are going to have to go to.

It is a mess that this government is getting itself into dealing with this kind of thing in the private sector. It is just going to get worse and worse and worse.

I was reading a reference here, a gentleman talking about arguments raging back and forth

over no-fault versus the free enterprise system, and I have to agree with this. This gentleman listened to the arguments rage back and forth over the years. He finally came to the conclusion that all the economic arguments and all the social arguments that are put forward are invalid and it boils down to one simple fact: If you are a socialist and you believe government should intervene in business and should operate business, then you believe in government insurance; and if you are a private enterprise person who abhors the idea of a monopoly, you do not believe in government insurance. I agree with that analysis, and the government members can clearly understand the slot that I place them in and that this analysis places them in.

We have said we want to hear some more about tort reform. Perhaps some of the lawyers in the front bench over there are having some input into this.

Mr. Swart: What front bench?

Mr. Runciman: Yes, what front bench?

As I said, certainly we know the Attorney General will have some input into this area, but even the Ontario branch of the Canadian Bar Association is agreeing—and we are talking about the Family Law Act—the act needs to be changed because:

"Its interpretation has gone far beyond what the Legislature intended and is adding more work and legal cost to each case. It is recommended the Legislature consider major revisions to the act. The breadth of the class of claimants, as well as the numerous nuisance claims, has created cumbersome, expensive procedures for plaintiff and defence counsel as well as the insurer. You wind up paying \$200 to \$400 for even the smallest claim, and those add up.

"If you sat there and saw the people who come out of the woodwork, you would be concerned. Why should we be paying money to a daughter who says, 'I was put to inconvenience because I had to visit my mother in the hospital'? It gets to be outrageous and difficult to accept. But the plaintiff on balance says, 'I might as well grab it while I can because I am going to be paying higher premiums anyway.'"

In something related to that, a gentleman in my riding, Frank Davies, who is also president of the Insurance Brokers Association of Ontario, again was urging towards reform and was citing an instance of a local insurance claim in which there were 45 different claimants seeking compassionate care payments because a lady they knew or were related to had had an accident while she was a taxi passenger some years ago. One of the

claimants was awarded \$500 just because she was a bridge partner of the injured person and could not play bridge with her any more. Tell me if that has not gotten out of hand.

We have not as yet heard the government make any reference to tort reform—no reference at all.

Mr. J. B. Nixon: All in due course.

Mr. Runciman: All in due course. They are just overly anxious to hop on to the socialist path and run down it as quickly as possible and say, "Well, all in due course," or, "In the fullness of time." We have heard that from this government over and over again: "In the fullness of time."

I want to put on record a couple of other things; essentially, it is the position of our party, which regrettably has not received much public notice. They have been content to catch the Premier combing his hair or jogging down the beach with his wife or significant things like that. I want to put our position—

Hon. Mr. Elston: We were all interested in your position on day care this afternoon, but the House leader was unable to enunciate the issue.

Mr. Runciman: After I am finished speaking, the minister and I can go out in the hall and I will fill him in on my position on universal day care.

Hon. Mr. Elston: On your position? It is sort of an interim position, right?

Mr. Runciman: Can you not do anything about him, Mr. Speaker?

Before I get into our position, this was just brought to my attention and I mention it in passing. It is a rather significant article: "Ontario Drivers Facing Big Boost in Premiums." This is in reference to the bill before us and, essentially, the changes in the risk classification system:

"Cliff Fraser, a vice-president of State Farm Mutual Automobile Insurance, predicts that rates will move higher when the government goes ahead with its stated intention to bar insurers from using age, sex and marital status. Fraser forecasts the change will mean a jump of up to 50 per cent for women under 25 and perhaps 10 per cent for drivers 25 and over of both sexes. The extra premium income will be necessary to subsidize under-25 male drivers who, because of their high claims record, take out of the system about four times what they put into it."

Mr. J. B. Nixon: He has not even seen the classification system, but he knows.

Mr. Runciman: He has seen the classification system, as a matter of fact. He has seen the proposals, as I have.

Mr. J. B. Nixon: The proposal has not been made yet.

Mr. Runciman: Well, we have seen what is at the discussion stage, in any event. I gather it is based on the British Columbia model. Perhaps the parliamentary assistant may want to disagree with that; we would be pleased to hear his opinion. But that is the information I was given as of today. If they want the opposition to be more adequately informed, we are open to an invitation to sit down with them and hear what they are doing, what their direction is, and offer our input in a very meaningful and productive way. We are pleased to do that at any time. We have to take our position based on the information available to us.

These, of course, are views expressed by the industry—talking about the Montana experience again, which I made passing reference to. According to the US magazine, *Journal of American Insurance*—and this is in Montana—20-year-old single female drivers paid an average of 49 per cent more for auto insurance in 1986 than in 1985—that is when they went to this unisex formula—while 20-year-old males paid an average of 16 per cent less. A 40-year-old couple with a licensed 16-year-old daughter saw their premiums increase an average of 33 per cent last year, while the same couple with a 16-year-old son who also drove enjoyed an average premium cut of 16 per cent.

1550

Again, this just reinforces our concerns. I hope the government, at least in terms of the no-fault program, will carefully consider that before it makes a commitment, although I suspect the commitment is already made. I understand Bill 2 is going to committee. Hopefully, the government will be receptive to some helpful amendments we will be making during that process.

In conclusion, I want briefly to put some of our party's positions on record in respect of automobile insurance in this province. Our party supports a strengthened role of the current legislation governing registered insurance brokers. We would create the role of insurance ombudsman to resolve consumer complaints. Change is also needed to break the syndrome that is prevalent throughout the system of adjusters and the legal profession in auto body repair. It seems every accident that occurs causes more property damage than the deductible. The attitude has developed that the insurance company is paying anyway, so there is no need to keep costs down. However, this increase leads only to increased premiums for all drivers.

Finally, when we are talking about adjusters, one thing I think we should also be doing is

requiring adjusters to inform anyone involved in an accident of the current no-fault provisions in the act. I had an individual in my community—the chief of police, as a matter of fact—who was involved in an accident. His broker did not tell him about the provisions; his lawyer did not tell him about them. He finally went to a lawyer in Ottawa who informed him that the costs and expenses he had incurred up to that point were covered by the current no-fault provisions, so he had his cheque within a week or two. But the local adjuster and the local lawyer did not inform this individual. I think there should be some obligation upon them to ensure that the consumers are very much aware of the benefits of that program.

We would also urge the federal government to eliminate income tax collected on financial court settlement awards. The federal government should amend the Income Tax Act to remove the income tax payable on the income from the amount of a damage award. These awards are often allocatable to required future care of the victim. This tax has caused lawyers to gross up insurance claims to allow for payment of the tax and still see their client receive a significant amount of payment for damages.

Our research shows that in cases of very large awards involving very seriously injured victims requiring an abundance of future care, the amount of the award could be reduced by almost 50 per cent. Also, the idea that the federal government is taxing an injured victim for income related solely to a serious physical injury seems most unfair and even unethical.

We would also propose to restrict the right to sue by the immediate family of a victim to situations involving only the very seriously injured. In 1978, the Family Law Reform Act was amended, giving an injured person's family the right to sue a wrongdoer for the financial expenses incurred by the family and for its loss of guidance, care and companionship of the insured person. As I mentioned earlier, we think that has got out of hand.

We would also like to see a change to prejudgement interest. Plaintiffs quickly launch their lawsuits, but then they delay the trial in order to earn more prejudgement interest at the prime rate. Perhaps this interest rate should be changed to that of the prevailing bank rate or that of savings bonds. This might remove some of the incentive for plaintiffs to delay cases, and it seems even more likely that the overall monetary amount of claims would be reduced.

We would also suggest that the insurance companies pay annuities to accident victims instead of lump-sum payments. Such annuities would last only for the period of convalescence. That could be for the lifetime of the victim or for a much shorter period of time. The advantage to that, of course, is that it would be up to the insurance company to decide how the money allocable to the award should be invested and this would eliminate the possibility that an injured victim could lose his award through faulty investments. It may also decrease the number of false claims. For example, if an injured person who was given a long-term annuity was found to be playing squash six months later, the annuity could be cancelled without recourse.

We would also like to see some reduction in court costs. Currently, when lawyers go to court over insurance claims, often the evidence for both liability and damages are presented together, as both issues are adjudicated in the same proceeding.

However, a study by researchers at the University of Chicago law school found that litigation costs could be reduced by as much as 20 per cent if the following measure were introduced: have the court decide on the question of liability first. That would allow for some costs to be reduced in the preparation and presentation of the damages case where the defendant prevailed on liability. In cases where the plaintiff prevailed on liability, settlements would be encouraged.

I think that pretty well sums up our party's position. We are very much concerned about the direction this government is taking us in with respect to Bill 2 and the forthcoming announcements, we suspect, in respect to no-fault auto insurance.

We are going to oppose this bill in its current state and, as I said, we are going to be proposing some significant amendments in committee. We hope the government will listen to those and will indeed take a look at the long term in respect to where it is taking us in this regard. They should have some real concerns, not just taking a look at perhaps some short-term political advantages, because once we are into this quagmire, as I said before, it is going to be extremely difficult to extricate this government or any future government. It is a mistake, a very serious mistake.

Mr. Mahoney: I find it interesting to hear the member opposite using the S word in relationship to members on this side of the House. He represents a party that brought us such past notable moves as the acquisition of Minaki

Lodge and Suncor, and yet he tends to call us socialists. I find that a little difficult to take.

I recognize that some members on that side of the House are slightly to the right of Gunga Din in their philosophy, and I can understand that, and do not really seem to care much about having to deal with social policy, but the official opposition is not the only party that has a right to care about social issues and social policies. It is the responsibility of this government to do that.

The honourable members should recall the statement by the member for Wilson Heights (Mr. Kwinter) in the election when dealing with the issue of government-run insurance. If I do not have an exact quote, I believe I am close. He said, "If you like the post office, you'll love government-run insurance." I think that really sums it up. I am sure we would agree that a government-run insurance program is not the way to go in this situation, because there is no free lunch.

Quite clearly, what the honourable members in the opposition party seem to forget is that it is a little bit like the Fram oil filter, "You can pay me now or you can pay me later." They seem to just blindly go ahead and suggest that the way to run things is to have the government run them. It has been my experience that is not a successful way of delivering service to the community.

Finally, I appreciate the advice and the constant barrage to those of us here in the back benches on this side telling us how we should be reacting and that we do not have much say. I assure the honourable gentleman that our caucus listens to us, unlike his when it was in power.

Mr. Swart: I find myself in some agreement with some of the comments of the member for Leeds-Grenville (Mr. Runciman), but there are a couple of things, of course, that I have to object to.

The first is that he said—I think I am paraphrasing him correctly—that we had sort of forced the government to move part-way on our demand. Well, of course, the government has not moved part-way on our demand at all. For the very reasons he gave about bureaucracy and so on, we are opposed to the bill we have before us.

I have to remind the member that they did not move in our direction; they moved in his party's direction. In fact, the leader of his party, when this legislation was introduced last spring, complained that they had stolen this legislation. Members will remember that Mr. Grossman said they had stolen this legislation from those people. The member cannot say they are going

part-way in our direction; they are going a long way in his direction.

1600

I guess today we have a statement of a change of policy on the part of the Conservative Party. However, I have to agree with them in saying this bill is worse than nothing, and at least the member has the honesty to get up and say that.

I also must point out that the member mentioned Montana. Of course, that is not analogous to the situation here. They abolished sex out there as a criterion but they did not abolish age, so the young women had to pick up half of the cost.

Finally, I just want to say to the member that he talks about his opposition to the public running things. Of course, this comes from the other side of the House, too. If you like public health insurance, you will like public auto insurance.

Mr. Runciman: I appreciate what the member for Mississauga West (Mr. Mahoney) said. I appreciate that they are not talking about a government-run insurance program and that they are, in essence, going only halfway, if you will, in respect to what the New Democratic Party has been proposing. I know the other member will disagree.

I have indicated that I think they are going in that direction, and I am very concerned that once they start in that direction, as I said, it is a very slippery slope and they are not going to be able to pull back. It is going to be extremely difficult politically to pull back, and I am basing that on the history of rent control.

The member talks about what we have done in the past, and it has been indicated by our interim leader and by members of this caucus that this is a new party. We have had problems with people in the electorate, and that is reflected in the fact that we have only 16 members. There is confusion over what this party has stood for in the past, and we are going to indicate clearly to the electorate in the future that we do have principles and a philosophy that we are going to abide by and that will appeal to the electorate. I think it is going to be a conservative thrust.

I do not think that restricts us from caring about social policies, social programs, social initiatives. I guess that is a problem in terms of the member thinking of auto insurance as a social program. That is a very serious mistake. Obviously, that is an error. The member has fallen into the trap with respect to the NDP's efforts to make this a social policy.

The member talked about rate review being a Conservative plank. Our former leader did indeed propose a rate review board but he did not propose a board with rate-setting powers. There is a difference, and it is a very significant one, in my view. The government is talking about significant intrusion into the private sector, telling people what rates they can set for their business in this community. We are saying we want an advisory board looking at it and commenting publicly on the appropriateness of those increases—a significant difference.

Mr. J. B. Nixon: Mr. Speaker, thank you for the opportunity to speak. I particularly want to congratulate the member for Welland-Thorold, who spoke in such a lengthy way but, I must say, in such a passionate way and with such conviction. I admire and respect that.

None the less, I also rise to say that I speak in support of this bill and I am happy to speak in support of this bill. I am even happier after having heard the member for Leeds-Grenville speak, because now we have got the parameters of the discussion completely outlined. We have the position of the official opposition, which is, as I would suggest, on my left, and the position of the third party, which is on my right. We have found once again that the Liberal course or the Liberal principle has persevered and that it distinguishes itself from either the solution of public ownership of the means of delivery or the complete, private and unfettered market which my friend the member for Leeds-Grenville suggests.

We have faced a very serious problem in the last couple of years in the area of auto insurance—auto insurance premiums in particular, but not in isolation. The government announced a number of measures, not the least of which was Bill 2, or the rate review board.

The measures also include the uniform classification system, which is going to be encompassed in the regulations underneath the rate review board bill; the examination of no-fault which was commissioned to be studied and reported on by Mr. Justice Coulter Osborne; the examination of tort reform which has been studied by the Ontario Law Reform Commission and the expansion of powers under the Insurance Act for the superintendent of insurance to cure certain abuses which exist in the marketplace.

So indeed, Bill 2 is only part of a large range, a large number of measures all intended to deal with the disruption in the insurance market and problems of the social impact upon consumers who suffer from those disruptions.

I would like to make two generic comments in my speech, one to do with the public delivery system in the western provinces and the second in the area of the abuses in the marketplace which we perceive and which we have introduced Bill 2 to rectify.

But before I get going I would like to point out that this debate is getting to be like the debate on free trade and every other debate on so-called significant issues. The words used tend to gather steam and have their own meaning. They float about like clouds and they are not attached to the ground, so that we get my friend the member for Leeds-Grenville telling us that no-fault insurance is a socialist system.

As members may know, the state of Michigan, that well-known capitalist state, has a very comprehensive no-fault system, but I do not know that Michigan has embarked on a government-run insurance corporation at all. In fact, there are many states in the United States of America and there are many jurisdictions in western Europe that have no-fault or partial no-fault systems, yet they do not have a government-run insurance corporation.

I just wanted to clear that up. Everything, if you do not like it, becomes socialist or everything, if you do not like it, becomes capitalist. Somehow there is a balanced approach, I think, somewhere in the middle where the interests of the consumers and the individuals take priority over the interests of the insurance industry or the interests of ideology. I think Bill 2 meets that demand.

In going to the experience of the western provinces, I would just like to preface my remarks by referring to an editorial from the Kitchener-Waterloo Record of March 1987, and I refer to it because I think it summarized some of the problems that the official opposition was facing going into the election. This was written in March 1987, talking about the official opposition's plan for a government-run insurance corporation. They wrote:

“Appearing at a news conference, NDP leader Bob Rae would not provide estimates about the startup costs of an insurance plan or the reductions in premiums that drivers could expect. He just asserted his belief that a public plan would work better than a private plan. Rae may be right in thinking that there is a difference between an auto plan that is hatched by politicians and one that comes from the business community. Thoughtful business leaders would not recommend that their companies start a business without knowing anything about the

costs. A company with little foresight will not last long."

I would suggest that there is indeed a difference between a corporation launched by politicians and a corporation launched by businessmen and, if anything, this government has reaffirmed its faith in the ability of the private market to deliver a system. But we have recognized that it cannot deliver that system in a totally free market environment. We have made it compulsory for all drivers in this province to purchase automobile insurance; given that, we have a duty to ensure it is available to them at a fair price, something my friend may not want to ignore.

Mr. Runciman: Do it through the Facility Association.

1610

Mr. J. B. Nixon: If he thinks Facility prices are cheap, fair and affordable, my friend has another think coming. We have heard too many horror stories about the Facility Association.

Let me just say that the insurance corporations themselves have well recognized that they have failed in their obligation to deliver insurance in a fair and affordable way. I do not know who my friend is speaking to when he argues they can do the job. We well know, after two years in this House, they cannot do the job.

Let me just turn to the experience in Saskatchewan. When we talk about premium increases, we might note that in October 1985, the Saskatchewan auto fund minister announced that vehicle insurance premiums would increase as of January 1, 1988, by 10 per cent. She noted a 64 per cent increase in liability claims costs in the last two years alone and she noted that changes in the legal environment were partly responsible for this rise.

My friend the member for Welland-Thorold has told members much about the slow rate of increase in the last six years in Saskatchewan in the cost of insurance. Let me point out that in the last eight years the cost of insurance has increased by 72.6 per cent. An increase of 72.6 per cent in the last eight years is something quite different from my friend's six-year increase of 37 per cent, the reason being simply that he forgot the insurance market, like any other market, operates in a boom-and-bust cycle. If you ignore the boom years and choose only the bust years, you are going to get a much lower percentage.

The problem is that he and I and all of us could debate the statistics until the cows come home, but it is not the statistics from Saskatchewan that

matter; it is the statistics in Ontario we should be looking at.

Let me finally comment once again that the Saskatchewan minister did make the point that the cause of the 10 per cent increase this year, and I guess the 70 per cent increase over the last eight years, is the increased cost of liability claims. I will leave that out there for members and come back to it in a few moments.

In British Columbia, the ICBC, Insurance Corp. of British Columbia, in July 1987 was warning of a 10 per cent increase in premiums pending. Again, the Vancouver Sun wrote in July 1987, "The Insurance Corporation of British Columbia will charge higher rates next year if the number of claims filed this year continues to jump."

On Friday, November 13, I assume a bad day for the consumers of British Columbia, the Vancouver Province writes: "BC drivers can expect a sharp pain in the wallet next year. ICBC is set to hike car insurance premiums later this month."

Then the official announcement comes out. The press release for public information from the Insurance Corp. of British Columbia, dated November 16, 1987, notes, "The average premium for private passenger vehicles will increase about 22 per cent," which, I think, was a surprise to everyone. The Vancouver Sun notes: "ICBC Rates to Jump 22 per cent," and the president of the corporation says: "Liability is what is killing us here. Liability costs are up 61 per cent from 1983 to 1986." ICBC president Tom Holmes said, "The drivers of this province to a large extent set their own premiums."

As the days go on, when we come to November 20, the Vancouver Province notes: "Motor Madness: Aggressive Drivers Send ICBC Rates Skyrocketing. ICBC Bill Through the Roof."

Once again, we have to look at what has happened in British Columbia over the last years and we discover it is quite interesting. My friend the member for Welland-Thorold told members that in the last six years the overall rate increase in BC has been something on the order of 37 per cent or 35 per cent. But if we go back eight years, we find that the real increase has been 130 per cent.

By very selective, careful selection of the appropriate years, my friend manipulates the statistics to show that the public corporations have a premium rate increase very much lower than in Ontario. In fact, if you throw in the next

two years, it jumps from 35 per cent to 130 per cent. I have to ask my friend to look again.

As I have said before, the problem is that statistics are what you want to make of them. It really does us no good to artificially select business cycles and portions of a business cycle so that we can massage our statistics to a point where we develop an argument to prove our case and disprove the other case.

Finally, we come to the wonderful province of Manitoba. It has had quite a history of questions being raised within its community about the public insurance corporation. I would like to speak to a few of them. Back in July 1986, the Winnipeg Free Press was noting: "Autopac will lose at least \$4 million this fiscal year. Manitoba Public Insurance Corp. sources said Autopac's losses this year could be much higher than the minister, Mr. Bucklaschuk, estimated." Remember Mr. Bucklaschuk; he will come back into this discussion.

Back in July 1986, there was one other article in the Free Press that I want to refer to because I found it really quite odd. I thought public auto insurance guaranteed insurance for everyone. Headlines: "Manitoba Public Insurance Corp. Pulls Coverage for Nurses. Manitoba Public Insurance Corp. has refused malpractice liability insurance coverage to the Manitoba Association of Registered Nurses."

I know we are on to auto insurance and rate regulation, but I would like to point out that no system is perfect. The delivery of general liability insurance was an issue in this House last year. It was an issue in Manitoba last year because MPIC or Autopac or General PIC or whatever it is known as would not give insurance to nurses. Why? Because it would have cost them too much. They would have lost money and they refused to give it to the nurses. The nurses had to go to the private market out of the province. Somehow this general corporation spawned by the government was failing to provide its own citizens with insurance. I ask my friends to take a look at it. What would they do?

As we go on in the year 1986 in Manitoba, we see this: "Manitoba Public Insurance Corp. Premiums Expected to Soar. 'We could be looking at double-digit increases,' confirmed public insurance corporation spokesman Graham Newton. Some industry sources have speculated Manitoba Public Insurance Corp. may be considering rate increases as high as 30 per cent in some insurance categories." The news goes on.

Of course, the public insurance corporations face their own problems in the delivery of

automobile insurance, different problems than you might find in the private market, but none the less they face problems.

Reported in the Winnipeg Free Press in November 1986, "Management Practices at the Manitoba Public Insurance Corp. have left the crown corporation seriously understaffed and put it into a state of crisis for the past three years." Who said this? "A union report indicates." Which union? The union governing the employees employed by the Manitoba Public Insurance Corp.

"Beginning in March of 1983, the Manitoba Public Insurance Corp. local of the union warned that serious understaffing problems were"—get this—"causing long lineups for customers, inadequate service of claims as well as high stress and low morale for employees." The report notes a "fiasco cost to the corporation of \$700,000 in fees paid to a consulting firm that advised job cuts were needed." You should note, Mr. Speaker, that the \$700,000 spent and complained of was spent without consulting the government. You start to gather this image of a corporation that is out there on its own, running staff as it sees fit, abusing the customers and the clientele as it sees fit and spending government moneys as it sees fit without government authorization.

1620

"Understaffing of the centre leads to other problems there," the union said. "Every Monday, they have 11,000 to 12,000 items left over from the week before to deal with." It also says that the general insurance division has not shown a profit since 1981 and suffered huge losses in 1984 and 1985. "Staff adjusters reported they were working 10 to 12 underpaid overtime hours per week just to keep up." It is a picture of a government corporation poorly managed, poorly run and not serving the consumer.

Then, in Winnipeg in September 1986, the opposition begins to call for an inquiry into the management of the Manitoba Public Insurance Corp., not because it announced a significant increase in its rates was necessary, but because the opposition perceived other problems.

Just in the background, during that period of time, the Manitoba Public Insurance Corp. announced an 8.4 per cent increase in premiums across the board. "In addition, owners of about 30,000 vehicles in rating groups with high loss ratios will experience an additional increase in basic premiums, ranging between one per cent and 20 per cent. In addition, accident surcharges will be assessed against motorists found 50 per cent or more responsible for two or more

accidents. In addition, additional premiums will be assessed against motorists with six or more demerit points. In addition, a maximum insured value of \$40,000 will be placed on all passenger cars."

So you start to see a basic 8.4 per cent increase, with surcharges and additional premiums and additional penalties being imposed, all of which led to the ultimate statement that in 1987 there were across-the-board increases of between nine per cent and 30 per cent in the Manitoba automobile insurance corporation's premium structure.

I referred to the opposition demand for an inquiry into the operations of the Manitoba Public Insurance Corp. It finally came out. The former president of the Manitoba Public Insurance Corp., Carl Laufer, said that the then minister, John Bucklaschuk, the hired merchant of truth for my friends during the election and prior to the election—remember, Mr. Bucklaschuk came down here, gave press conferences and said: "You guys are crazy. The best system in the world is in Manitoba. It is great. You're crazy and you're dupes of the industry." The Leader of the Opposition (Mr. B. Rae) and the member for Welland-Thorold got up and they trumpeted this wonderful man who was bringing to Ontario a vision of a new way.

This is what happened to Mr. Bucklaschuk. "MPIC minister John Bucklaschuk ordered a coverup of massive losses at the crown corporation in 1984 for political reasons, former MPIC president Carl Laufer charged yesterday. Bucklaschuk claimed on Tuesday that he had not been informed of losses of up to \$36.6 million in the reinsurance division of the Manitoba Public Insurance Corp. until after Laufer was fired last summer.

"'Bull,' Laufer exclaimed when he heard the Sun tape of Bucklaschuk's comments yesterday. 'I told the minister about it and he advised me it was not appropriate to show those kinds of losses at that time. He mentioned that an election was coming up. That was the link that I got.'"

Later on in the article: "On the board's instructions, Laufer said, he told Bucklaschuk and was told to keep the figures under wraps until after the provincial election, then expected in 1985. Laufer said he allowed the auditors to report the figure, which he knew to be wrong"—they underreported their losses—"because I was instructed by the minister not to reveal the higher figure."

This is Mr. Bucklaschuk who is telling his employee: "For political purposes—I've got an

election coming—don't report these losses, whatever you do. If these losses get out, and the fact that we permitted them, we're going to be in big trouble at the polls."

There we have a minister in another province manipulating the figures to suit his own argument, manipulating the statistics, telling his auditors, telling his crown employees, "Don't report this information, because it doesn't justify my argument. In fact, it damns my argument and I'm going to be in big trouble at the polls." That is hardly the way to conduct business.

Mr. Laufer said, finally, "I can't take it any more." He said, "There comes a point where you can't stand still." He made the announcement.

What happened then was a lot of discussion and examination of these losses. Mr. Laufer said, "They're \$36.6 million"; Bucklaschuk said, "Ignore them," and they started to examine them. The losses turned out to be much more than \$36.6 million. In fact, they turned out to be \$58.6 million.

At the same time, one has to ask who pays for these losses. Someone does. The Winnipeg Free Press felt it had to comment on the prevailing average premiums being charged across Canada, so it looked at them in its own way and said in an editorial: "What the rates point out most clearly is the difference in traffic density. Vancouver was always much higher than Winnipeg, as was Toronto, before public insurance"—

Mr. Philip: Why don't you look at accident rates?

Mr. J. B. Nixon: I will get to that.

Mr. Philip: I'll bet you will.

Mr. J. B. Nixon: Hold on to your shirt. Just relax; take it easy.

—"before public insurance came on the scene. Winnipeg has always had higher auto insurance rates than Lethbridge or Kitchener.

"The most significant information to be found in the news is not that public schemes are just as expensive, more or less, as insurance offered by the private sector; the most significant information is that governments are just as greedy when it comes to gaining access to automobile insurance dollars as any of the private companies that politicians are so ready to criticize."

My point is that with the Manitoba Public Insurance Corp. sitting there with reserves, the government of Manitoba has available to it a large pool of capital which it can borrow from at less than market cost. Who pays the difference between the market interest rate that prevails and the interest rate at which the government of Manitoba borrows? The consumer. So it all

comes back to the consumer one way or the other.

Mr. Philip: The consumer is also the taxpayer, didn't you know?

Mr. J. B. Nixon: No kidding.

The consequence of the less-than-favourable borrowing from the Manitoba Public Insurance Corp. by the government of Manitoba can come out in two ways. It can come out in increased premiums charged back to the consumer or it can come out in a subsidization of the program by the government of Manitoba.

If you look at Manitoba, at the same time that Mr. Bucklaschuk finally had to admit he had engaged in a coverup, at the same time as he was saying, "I made a mistake, I really did cover it up," Manitoba was raising its taxes.

The newspapers in Manitoba noted: "Winnipeg Tops the Tax Polls. The new net income tax of two per cent, along with the additional surtax on incomes over \$30,000, makes Manitoba the most expensive province for urban families."

What do those tax rates include? They include a tax on government services, most particularly taxes on driver's licences and on licence plates. There are all sorts of ways to get money to pay for your public insurance corporation, and it appears that in Manitoba not the least of them is a fee or charge or tax on your driver's licence and on your licence plate.

Finally, later in that year, we read: "Mr. Bucklaschuk contradicts his loss estimate. He backed off on another statement yesterday when he admitted...." Mr. Bucklaschuk for six months had carried on about how he had never been told by the president of Manitoba's automobile insurance corporation; he had never been told about the losses. The president then said, "I told him and he told me to cover it up for election reasons."

1630

Then Mr. Bucklaschuk does an about-face. This is Mr. Bucklaschuk, who came here to tell us all the truth. He is the merchant of truth from the marvellous province of Manitoba. He did an about-face and then he backed off and admitted that he fired the president of the Manitoba Public Insurance Corp. when he informed him of a potential \$24.3-million reinsurance loss. He still did not have the numbers right, but he changed his mind and that is why he fired him.

At the same time this story is going on—Mr. Bucklaschuk is changing his story and trying to remember whether or not he told someone to change the story for political reasons; or he cannot remember what the loss is, but then he

does remember—we have another headline and story, "Shredded Reports Detailed. Cabinet submissions, a Manitoba Public Insurance Corp. audit, a 1984 annual report and corporate directives were among ministerial papers shredded within the last month, archival records reveal."

How can we get the truth about the Manitoba auto insurance corporation when the minister, Mr. Bucklaschuk, the merchant of socialist truth, is shredding the papers? There are no papers. They do not have any evidence. They do not know what it costs. They do not know what their losses are. He shredded the papers. It is very upsetting.

An hon. member: You are doing great.

Mr. Swart: There is no truth in it, but he is doing great.

Mr. J. B. Nixon: There has to be truth in it; the Free Press wrote it.

An hon. member: That is right. He took a page out of your book, Mel.

Mr. J. B. Nixon: That is right.

Bucklaschuk later went on to admit political considerations were partly responsible for his decision to accept Laufer's advice that the losses should be shown. He says: "If it is not true, why did he not sue for libel and slander? I am not aware of any libel and slander actions going on, so I will assume it is true unless I am informed otherwise. I would be less than candid if I said I did not think politically."

What we have is the image of a minister who manipulates the premium levels according to election years and, lo and behold, they have had their election. Ontario has already increased its premiums. Along we go. In Manitoba there was a nine per cent to 30 per cent increase last year. And what are we hearing out of Manitoba this year? We are hearing that Manitoba faces premium increases in excess of those it faced last year. It faced an \$18-million loss in the first six months of 1987. "If the current trend continues, we will be forced to look at considerable rate increases next year"—that is, in 1987.

Then on November 24, 1987, the new president of Manitoba Public Insurance Corp.—remember Mr. Laufer? He got fired for telling the truth. Maybe this guy will get fired. What did the new president say? "'Autopac premiums will rise by considerably more than nine per cent next year because of record losses by the government-run vehicle insurance agency,' its president says. 'It would not surprise me if they exceed \$39-million losses. I can say our rates will

increase considerably more than last year's nine to 30 per cent, but I cannot start focusing on a number.'"

A significant increase, something that should concern us before we even consider accepting my friend's arguments.

I would like to go back for a minute. You know, the fallout from Mr. Bucklaschuk's reversals of forms and his coverups and his shredding of documents did not stop there. Frances Russell, in the Winnipeg Free Press, writes:

"John Bucklaschuk, minister responsible for Manitoba Public Insurance Corp., is a member of the Pawley cabinet's walking dead. Bucklaschuk's difficulty is that he either didn't understand or couldn't communicate what exactly was going on with MPIC's reinsurance."

The reason I keep focusing on Mr. Bucklaschuk, and particularly for the new members here, is that prior to the election, the official opposition brought Mr. Bucklaschuk down here as its spokesman. He was going to tell us how government insurance could save us in Ontario; certainly, I guess, it had saved Manitoba. But then the troops in Manitoba got a little unsure of Mr. Bucklaschuk's ability always to put forward the truth, or the truth as he knew it. Bucklaschuk's difficulty was that he either did not understand or could not communicate what exactly was going on with MPIC's reinsurance. Remember, he is a minister of the crown. Bucklaschuk's trials, reminiscent of a Mack Sennett slapstick comedy, finally started to sort themselves out almost a week after they began, so far too late for both him and the government.

Seven days after he tabled the Manitoba Public Insurance Corp.'s 1986 annual report, pegging potential reinsurance losses at \$36 million, Bucklaschuk, already a public laughingstock for the gross coincidence of his shredded files and his torrent of seemingly contradictory loss numbers, called the media to his office. The numbers, it turned out—Mr. Bucklaschuk tells the media—were not contradictory. They were, in essence—and here we go—the same numbers expressed in different time frames. The \$12 million was estimated 1984 reinsurances losses; the \$14.9 million was actual 1984 reinsurance losses; the \$24.3 million was potential claims for the five-year period, 1984 to 1989. Therefore, we will spread it out to the year 2000. That is public insurance corporation accounting at its best.

Let me point out that not only are there problems with the losses and the substantial

premium increases in the public insurance corporations—and not only the losses, the premium increases, the maladministration and the incompetent administration offered by this monopoly—but there are other problems. They have problems there, too.

From the Winnipeg Sun: "Pain Eased Little by Settlement." My friends over there in the third party will get a kick out of this one: "Former federal Tory candidate Frank Crockett, living in poverty and unable to work since a five-car accident eight years ago, has finally won a settlement worth \$185,000 from Autopac." My friend the member for Welland-Thorold was just telling us how in Manitoba you get your settlement right away, all the money you need. Here is a guy who had to wait for five years. What happened? Why did it take so long? Why did they screw around? Fault was never an issue. They admitted 100 per cent liability. This is what they are saying. They admitted 100 per cent liability: "'I am not complaining, because I agreed to the settlement,' he says, 'but MPIC used every legal manoeuvre it could to drag this thing out.'" My goodness, a public insurance corporation using every legal manoeuvre it can to drag this thing out? God forbid.

There were three examinations for discovery and two pre-trials. "'Autopac had an incentive to delay proceedings,' he said, 'because Manitoba was the last province to force insurance companies to pay interest on court awards.'" My friend from the third party wants to get rid of prejudgement interest. Manitoba does not have it. The public insurance corporation sticks it to the consumer, taking advantage of the fact that they do not have prejudgement interest. Madam Speaker, I get so confused listening to my friends in the opposition that I do not know whether I am coming or going, but I can tell you soon where we are going.

Another wonderful story from Manitoba from the Winnipeg Free Press: "Firm sues MPIC over suit's handling. A Carman businessman is suing the Manitoba Public Insurance Corp., claiming it could have settled out of court a personal injuries suit that might cost the firm \$700,000."

What happened, to give the members the facts, quite simply is that this man ran a business. Someone was hurt at the business and sued him. The Manitoba Public Insurance Corp. did not tell him he was being sued for more than the value of his insurance, so what happened was that the court awarded a judgement greater than the level of his insurance and the Manitoba Public Insurance Corp. conveniently forgot to tell him

that. Do members know what happens if a lawyer does that in this province? If a lawyer does that, he is disbarred because that is negligence. It seems as if the Manitoba Public Insurance Corp. is exempt from the normal rule of law. It did not tell him, and all of a sudden he is sitting there with a \$700,000 judgement against his business, and what recourse does he have?

1640

What we come to is the fact that it has a system which does not serve its clientele. It has a system whose employees are not serviced, they do not have overtime, they are overworked. The union complains. The union says the place is incompetent. Maybe I should believe the union. I do not know.

The bottom line, as far as the consumers are concerned, is that they faced a nine per cent to 30 per cent premium increase last year and that the president of the Manitoba Public Insurance Corp. is saying this year's premium increases will be greater.

Through you, Madam Speaker, I ask that when my friend the member for Welland-Thorold does his averaging, he should not forget to go back all the way, to do the whole business cycle. Unlike the 35 per cent increase over six years in British Columbia, we get the full picture: a 130 per cent increase in BC in eight years. Unlike the 37 per cent increase which he suggests in six years in Saskatchewan, we get the true picture of a greater than 70 per cent increase in Saskatchewan over eight years.

Having argued over the statistics, my friend will then say, "Go 10 years; go 12 years." We may well do that, but I suggest to him it is not a productive or fruitful debate. I just wanted to give the other side of the story.

The reason it is not a productive or fruitful debate is one that was recognized prior to the election. It was recognized by the press. I have to quote from Orland French and Lorrie Goldstein: "Unguided Flying Statistics a Menace. When the insurers and the socialists start shooting at each other, take cover."

That is sort of like what happened here today. We have the official opposition shooting at the third party and the third party shooting at the official opposition. The air is soon filled with unguided flying statistics, most of which are dangerous to the truth.

Orland French is referring back to April 1987:

"This week the New Democratic Party tangled with the Co-operators General Insurance Co. over the average cost of auto insurance premiums. The NDP said the Co-operators' average

premium was \$605; the Co-operators said it was \$449. The NDP said, 'Oops, sorry.'"

Then Lorrie Goldstein commented on the same incident. He had received a note from Robin Sears, the mastermind of political machinations over in the official opposition's office. In it, Robin Sears, son of Toronto Star columnist—

I have to pause there just for a moment and ask: If the Toronto Star is advocating government auto insurance, which is the platform of the official opposition, how can it have a direct pipeline into the decision-making of the government, when the government is not advocating government-run auto insurance? I ask that question only rhetorically, because my friend the member for Leeds-Grenville is not here, I would note.

In any event, Mr. Goldstein goes on that he received a note from Robin Sears. He asked Lorrie somewhat sarcastically whether he was proud to be associated with the insurance industry in the battle over private versus public auto insurance. They were commenting on the kerfuffle between Co-operators and the official opposition where the official opposition finally said, "Oops, sorry."

The day the column appeared, and I have to say this in deference to my friend the member for Welland-Thorold, "Mel Swart contacted me to say that while he believes the Co-operators"—

Mr. McLean: Madam Speaker, on a point of order: Is there a quorum present?

Madam Speaker ordered the bells rung.

1647

The Acting Speaker (Miss Roberts): A quorum is now present. The member for York Mills will continue.

Mr. J. B. Nixon: Thank you, Madam Speaker. I will pick up where I left off.

I was referring to an article by Lorrie Goldstein.

Mr. Swart: The members sure want to hear their colleague, don't they? How they love hearing you. There are eight others here.

Mr. J. B. Nixon: Well, it is eight more than some other people might expect.

The Acting Speaker: Order, order. Would the members please direct their comments through the Speaker.

Mr. J. B. Nixon: I have to say, in deference to my friend the member for Welland-Thorold, that the day the column appeared that Robin Sears was complaining about, the member for Welland-Thorold contacted him to say that "while he believes the Co-operators' tactics were

improper he felt I made a fair point about his overblown rhetoric. 'A lot of times, what you write drives me crazy, but I want you to know that on this one I thought you had a point.' " Mr. Goldstein says: "Class guy, Mel. The NDP could use a few more like him." I mention that by way of comment, but Mr. Goldstein then goes on to say he is not associated with the insurance industry, whose auto rates are too high.

We all agree that is the problem, but I wonder how proud Mr. Sears is to be associated with John Bucklaschuk. Jeez, the guy keeps coming back. It is like a bad pizza. Here he is again.

Mr. Swart: It shows your position when you quote the Sun. Go on quoting the Sun; that shows your position.

Mr. J. B. Nixon: I finished on the Globe and Mail, but I wonder how proud Mr. Sears is to be associated with John Bucklaschuk, the embattled New Democratic Party cabinet minister in Manitoba who oversees that province's state-run insurance system.

His final rhetorical question is, "Robin, how can you associate with these guys?" And I know Robin is not here in the House. In the final column from Mr. Goldstein on the issue, he writes, "I often accuse big business of being paranoid about making information public, but sometimes there is a reason for that paranoia. In this case, information voluntarily supplied by Co-operators Insurance to the Ontario NDP was distorted, either accidentally or maliciously. The NDP then used that incorrect information to bash the entire industry. While NDP consumer critic, Mel Swart, personally apologized for the screw-up earlier yesterday, it took hours for the party to issue a grudging one-line correction."

Once again, the problem was in the debate over average premiums in all of the provinces of Canada and, of course, when you average, you average the premium for six million drivers in Ontario and 600,000 drivers in Manitoba and you do not talk about the inequities in any system. You talk about averages; you do not talk about the problems in either system, you talk about the averages. The whole debate goes downhill to the point where we are standing issuing threats, arguing and shouting back and forth: Insurance Corp. of British Columbia, 22 per cent; Ontario, 19 per cent, as if that meant something to the consumers, as if that were going to solve their problems. The bottom line is Bill 2.

Mr. Philip: The bottom line is that it is a lot more expensive in Ontario than it is in Manitoba or Saskatchewan. That is the bottom line.

Mr. J. B. Nixon: Let me point out that even in Ontario the premium for auto insurance varies according to a number of variables. A number of these variables exist in any public insurance corporation's underwriting program. But let me give you some examples of the variance within Ontario. Price varies according to the extent of coverage asked for, the company chosen and the class you find yourself in. For instance, a principal operator aged 25 or older, who drives his car for pleasure use only and has five years claims-free, will in Toronto pay anywhere between \$724 and \$300 and in Peterborough anywhere between \$588 and \$199.

1650

My friends, when they join in the debate, will quote the highest price, and the average when it is useful, but in this case, it would be the highest price. I say that only to give members an example or a flavour of the variances that occur geographically and as between different companies, which is why the former minister's admonition, "Search the market," makes sense. No broker sells insurance for more than seven or eight automobile insurance corporations. If he cannot get you a good price, some other broker may be able to.

I pointed that out by way of example. I hope my friends will not ignore it when they are looking for a better price. But then to get to the point, my friend the member for Hamilton West (Mr. Allen)—I believe it is; I am not sure—asks me, "What about the bodily injury frequency?" As everyone knows, the frequency of accidents in Ontario has been decreasing and the number of fatalities has significantly decreased in the last two years.

I say that is as a direct result of this government's initiatives in the area of drinking and driving and the program to reduce drinking and driving. In any event, there is no dispute that the frequency of injuries and fatalities has decreased. In fact, I am quite proud and pleased to say on behalf of my constituents that the frequency of accidents and the average number of accidents in Ontario is less than in many of the western provinces.

We agree with them, but the big problem, the reason premiums go up, is the reason given by the president of the Insurance Corp. of British Columbia, the reason given by the president of the Saskatchewan Government Insurance, the reason given by the president of the Manitoba Public Insurance Corp. and the reason given by the private industry in Ontario. It is not the number of accidents but the quantity of bodily

injury claims, the size, how much money you have to pay out. That is what drives the premiums. It is true no matter where you are.

The fact is that in Ontario, way back in the good old days of 1968-69, insurance companies were paying out on average twice as much in individual third-party liability claims as opposed to the western provinces. In other words, the cost of a bodily injury claim was much, much higher. The final damage award was much higher. It is driven by the decisions in the courts, driven by the cost of living in Ontario. In fact, the size of the actual cost of bodily injury claims has increased 125 per cent in Ontario since 1980.

What I do not have for members is the statistics from British Columbia, Saskatchewan and Manitoba. Why? Because they will not tell you. Even if they could, they certainly will not tell you in Manitoba because they shredded the documents for 1984.

But given that, what is driving the cost of premiums to the consumer in this province is the increasing cost of bodily injury claims. It is not as if the government is not doing something about that. We are looking at the principle of no-fault auto insurance; Mr. Justice Coulter Osborne will report very soon. The Ontario Law Reform Commission is looking at the entire area of tort reform; that report is expected soon. We are looking at the cost of bodily injuries. We are looking at the cost side, which drives the premiums paid by the consumer.

Having said all of that about the public systems out west, I have to tell members about what brought us to produce the policy which drives Bill 2. It was not because we lived in the sterile world of public versus private ownership as being the dialectic debate which should resolve this issue. We looked at it from the point of view of the consumer and how can we best serve the consumer.

We asked ourselves what we were hearing from the consumer. We were not hearing consumers say, "I want a public insurance system." We were hearing consumers say: "We are upset because our prices are going up. We are upset about the rate of increase in our prices." Particularly, underage drivers were telling us they were upset about the premiums they were paying.

They were telling us about the premiums they were having to pay when they were forced into the Facility unjustly. They were talking about the short notice given when the companies refused to renew a policy. They were talking to us about a practice of the auto insurance companies, in

terms of premium setting, to forgive the first accident, but when the second accident came along to impose a huge increase.

They were talking to us about the excluded-driver rule. My friend the member for Welland-Thorold is quite familiar with that rule, which says that when my spouse is convicted of impaired driving, cannot drive, loses her licence and so on, I will still have to pay a much higher insurance premium because we live in the same house and she might have access to the car. They were talking about that and they were talking about payment of legitimate claims promptly. Consumers were waiting two, three or four years to get payment of their claims because they had to go through the court system.

They were talking about arbitrary cancellation of payment of benefits under schedule C. Schedule C is the limited no-fault benefits which exist in this province, basically \$140 a week for 12 months or \$70 a week for a homemaker. I think the death benefits are \$3,000 or something in that order. They were complaining about them. I say to my friend and I say to this House that no-fault benefits are under examination by Mr. Justice Coulter Osborne, and we expect his report. But public auto insurance will not solve that.

We were also hearing complaints about age, sex and marital status used as underwriting risk criteria and their impact on young drivers and on seniors. People were asking us why their premiums were going up when they had not done anything bad. Brokers were contacting us about arbitrary termination of contracts by insurers when their volume of business went down.

We have said to ourselves that there are a number of initiatives in all these areas that are required to solve these various problems, only one of which is Bill 2. That is not to say Bill 2 is inadequate. The bill deals directly with the problem that we see and that all of us have faced in terms of dealing with our constituents, regardless of parties, that is, a boom-and-bust cycle in the auto insurance market that is unacceptable.

The cash-flow underwriting of the early 1980s that resulted in reduced premiums in real dollars—people tend to forget that premiums were going down in the 1980s. Now they are going up and it becomes a big news item, but people tend to forget that they were going down. At the very least, what the board will do is stabilize the market.

With a number of initiatives under way, the goal is to bring lower prices, whether it is tort

reform, whether it is no-fault or whether it is use of the uniform classification system. But to go back, I have a few more comments—

Mr. Swart: That is the only direction you know.

Mr. J. B. Nixon: Now I am coming forward. I come forward from 1978.

I believe my friend from Welland-Thorold made great reference to a Woods Gordon report that was prepared for the select committee on company law which talked about allocation of operating expenses. What I have to point out is that the select committee on company law, which received that report, did not receive it with the same fervour and conviction as my friend has put forward to the members. The comments by the committee go as follows:

“The committee wishes to make it abundantly clear that considerable care should be exercised in the interpretation of the above observations. Differences in the product and the product mix and the possibility that government organizations may have some access to free services or cost sharing not available to private companies renders a definitive conclusion difficult.

“Also, the low-cost certificate-of-insurance premium paid by consumers in the government-ownership provinces is somewhat of an illusion, as it is only one of a number of sources of income used by the government insurance corporation to support the automobile insurance system.”

1700

I will not bore the House by reading the entire passage, but I do say to members that the much-touted Woods Gordon report lost some credibility when it faced the light of day before an all-party committee, in a minority Legislature, I might remind you, Madam Speaker. They said, “There’s a lot of things that we should have looked at that this report didn’t look at, and we’re not quite prepared to accept its recommendation.”

Moving forward to the Slater report, just as my friend would like us to do, he did not like it but then he urged us to take its counsel. I say, “Either you do not like it and you reject it out of hand or you accept it for what it is, a report to government, from which the government is entitled to take recommendations as it sees appropriate and put them forward in legislation.”

I must remind the member for Welland-Thorold, as I said back last week, that Mr. Slater did look at the western systems. He comments on Saskatchewan, Manitoba, British Columbia and Quebec. He went there, he has spoken to us about it, and what does he say? He says, “The

government of Ontario should not establish at this time a government insurance corporation to deliver auto insurance services.”

I remember when Dr. Slater was appointed all three parties lauded, to a greater or lesser extent, his appointment. They thought he was a man who spoke with independence, a man with credentials in the academic community, a man who would give us good advice. We think good advice came back. Suddenly, it becomes “pathetic” when it does not fit the doctrines of the official opposition. When it does, the member questions the government’s motives in not accepting it.

My friend the member for Welland-Thorold also referred to reciprocal insurance exchanges and why we have not done something about them. Of course, this troubles me greatly, because there have always been provisions in the Insurance Act to allow the creation of reciprocal insurance corporations.

A reciprocal insurance corporation is not public insurance. It does not require the government to set up a corporation, fund it and administer it. It is just a group of like risks, like-minded people coming together and saying, “We will insure ourselves for the first level of insurance and go to the private market for our second level of insurance.” That is all it is. No big deal.

The Ministry of Financial Institutions put out a how-to-do-it book. We gave it to the municipalities and we gave it to the school boards and we gave it to the hospitals, and they said: “We like it. We’ll insure ourselves to a certain extent and then we’ll let the market provide the reinsurance.” And so it has all been done, but we still get press releases asking, “When is this government going to do something about reciprocals?” It has done something, and it did something over a year and a half ago.

Finally, the icing on the cake, the Minister of Municipal Affairs (Mr. Eakins) stood up today and introduced a bill to amend the Municipal Act to allow municipalities to create reciprocals.

Mr. Swart: We’ve been waiting a year.

Mr. J. B. Nixon: We are there.

Finally, I am speaking in support of Bill 2 because Bill 2, aside from regulating rates and setting rates and establishing a stable environment where fair premiums are made available to the consumer, will have a public and open hearing process. Once the bill has passed, once we have in place the rate review board, I urge my friends from all parties to appear, in whatever status they wish to appear.

The information will be available to justify the premiums charged, the premiums set. The public and open hearing process will in itself explain the mysteries of supply and demand, explain the mysteries of the cost of bodily injury claims, explain the mysteries of reinsurance, I trust, if anyone takes the time and effort to attend.

One final comment to my friend the member for Leeds-Grenville, who accuses us of slipping down the slippery road to socialism: I can only ask him to look back at the state of the market a year ago and ask him if he really believes that is the way we want to exist and that is the type of market we want.

Mr. Philip: There seems to be such a great number of inconsistencies, but I would like to ask about just two of them.

The member says that somehow one should be consistent and accept a commission report in its entirety. Well, the Slater task force report, which he has said is such a great report, in fact recommends against the very principle of this bill; it recommends against a rate review board. How does he answer that inconsistency in his own thinking?

He also invites the public, the consumers, to present their views on the bill. There is no funding mechanism for the consumers to develop the kind of research that is necessary. His government has not done the research; it would not go out and do a direct comparison with the western provinces. What voice does a consumer have other than his own personal experience before a committee dealing with this bill when no funds are provided? The insurance companies will certainly be well funded to present their view. Where is the funding for the consumer to present his view?

Mr. Swart: In two minutes, I do not have time to correct the inaccuracies and the distortions in the speech by the member for York Mills (Mr. J. B. Nixon). In fact, it would take as long to correct them as it did for him to make the speech, and we do not have that kind of time.

I notice, though, when he started his speech he said we had not put out any figures relative to the savings of the public plan. Well, of course we have on various occasions. The actual saving to Ontario motorists by having a plan such as they have in Manitoba, Saskatchewan and British Columbia would be between \$500 million and \$750 million annually, most of that by the very figures, which of course the member did not touch on today, related to the difference in the cost of administration, the 42.5 per cent last year for the private insurance companies here versus

20 per cent and 20.4 per cent in Manitoba and British Columbia. That saving in administration costs alone would save almost the figure that I have given here.

He also quoted at great length from the Winnipeg Free Press. I wonder if he does not know that right-wing publication has also recommended that the public plan be kept in that province. Even though it is opposed to the New Democratic Party and has criticized it always, it says the public auto insurance is a success story and should always be kept in that province.

He talked about increases in Saskatchewan—and, incidentally, he is wrong about the 72 per cent, but I just want to say that even if it was 72 per cent, still 72 per cent of a \$200 increase is an awful lot cheaper than 80 per cent of \$400. It is dollars and cents that count.

The bottom line, of course, is that at the present time average rates in Manitoba are \$405; British Columbia, \$485; Saskatchewan, \$251; and here, \$640. The president of the Insurance Bureau of Canada agrees with those figures.

Mr. Pollock: I just want to comment on the fact that the member for York Mills made the comment that Mr. Bucklaschuk would actually shred documents and distort figures right in front of an election. Surely no minister of the crown would ever do something like that. I am a little surprised he would make that particular comment.

Mr. J. B. Nixon: It wasn't mine; it was the report—

Mr. Philip: It was an accident.

The Acting Speaker: Order.

1710

Mr. J. B. Nixon: First, Dr. Slater's report recommended the government not get involved in the direct business of rate regulation. We agree for the very reason that you do not get something such as Mr. Bucklaschuk artificially manipulating the premiums in a pre-election period. We want an independent board with full public hearings.

Second, there are lots of public interest groups out there right now, such as Andy Roman's, that are quite happy to appear in front of this board, and I am sure they will.

Third, my friend is not talking about the hidden costs, the artificially deflated borrowing expenses of the Manitoba government from the pool of capital in the insurance corporation.

Fourth, he refers to the 42.5 per cent overhead costs. That is the Woods Gordon report, 1975 not 1987. The insurance industry says—I am not its

spokesman; the member says it says 42.5 per cent. They are telling us 11.3 per cent. The argument about numbers is fruitless. That is why we need Bill 2, so we get all the facts.

Finally, Judge Scollin in Manitoba did an independent inquiry into the operation of Manitoba Public Insurance Corp. This was not political. This was not the media. This is what he said about the government-run auto insurance program. He has concluded "that Manitoba Public Insurance Corp. throws taxpayers' money around like confetti." One cannot stonewall when a respected judge criticizes the control structure of MPIC's claims system, expressing amazement that the entire company was not floating in the red, saying the lack of control could be described as "the ultimate meaning of the Red River." That was the judge speaking.

Mr. Allen: I rise to participate in this debate. I am not going to be among those who give a definitive speech, the members will be glad to hear. It will not be massively laden with statistics and I hope it will not be too long, but I do have some things I want to say.

In the first instance, it was rather interesting for me to hear the member for Leeds-Grenville argue, as he always does very consistently with his principles and his position, against government-operated anything. For myself, I have never believed everything should be run by government nor that one should automatically conclude nothing can be run well by government. It seems to me one takes a pragmatic view of these things and undertakes to determine the best way of operating with regard to a particular enterprise that serves the public.

Most of the areas of service that are universal and that people need as a matter of course in a society lend themselves to one kind or another of monopoly or near monopoly treatment. One is not surprised to discover that is the case with regard to everything from hydroelectric power to telephone services to hospitalization. We all have health problems. We all have legal problems and we should therefore have legal aid on a universal basis. We all have accidents and disabilities of various kinds that result from them, sometimes long-term and sometimes short-term. However one tries to resolve those problems, one inevitably is dealing with them in a very broad social scale on a monopoly or near monopoly basis.

Sometimes it is a good question whether a private monopoly or a public monopoly ought to be the agency for doing that, but I think the problems we often discover in large systems are

fairly common. It is not a matter of whether they are privately operated or publicly operated. The issues that afflict monopolies, large systems, are fairly common and widespread among all large systems of operation. Myself, I would generally wipe out a lot of the comments that get made around that kind of observation.

It is very interesting, it seems to me, that when you come down to it, the last speaker gave us a great run-through of statistics. I noticed that when he gave us the data over 10 years for the western plans, he then did not go on and give us the data over 10 years for Ontario; so we were left up in the air at the end of his speech, not knowing what the comparison ought to be. I do not know myself what the statistics are for the 10-year comparison, but I think it might have been a little bit more honest of him and more useful for us in this House to have had all the comparisons at once, the way in which my colleague the member for Welland-Thorold is used to proceeding. At least he gave us all of those provincial comparisons over a given year period.

I suggest that if we went back 12 years, 15 years or 18 years, we would find again a different range of comparisons. But at the end of the day, where do we stand? At the end of the day, when we add on even the latest of the increases in all the plans across the provinces that we are comparing, Ontario is still substantially more expensive. You discover that Saskatchewan is still the least costly. You discover that in between, only slightly more than Saskatchewan, is Manitoba, and slightly more than that is British Columbia. Then you get the big gap, as I say, leaping up to the costs in Ontario.

If you ask yourself the responses of persons who are very much involved in assessing the attitudes of individual drivers and look after the interests of individual drivers in provinces where those increases have recently been announced, it is very instructive to look, for example, at the responses of the vice-president of marketing and public affairs of the British Columbia Automobile Association.

We all know the automobile associations are assiduous in the way in which they look after their members. They do all kinds of things to help them deal with their motoring problems and so on. Most of all, they are concerned about insurance and the insurance rates they have to pay. So you would expect that if there were a major problem in British Columbia, this would be the man who would be telling you exactly how bad it is.

If you read what Mr. Rattel is reported to have said with regard to the premium increases in British Columbia, he says: "None of the motorists who has contacted the association recently has suggested that ICBC be privatized. I think that is significant, given that we are in the throes of a public debate on privatization in this province."

We all know about that debate. We know how it is proceeding. We know who is pushing it. Certainly, it is not the British Columbia Automobile Association with regard to insurance. It is not just that the government or the New Democratic Party, which founded that system, wants to keep it in place; it is that the most active proponent of automobilists and their interests in the province is discovering not only that there is no demand among the motoring public to privatize the system but they themselves as a body do not want to see that system privatized. He says, "The vast majority of BC residents think that ICBC serves them well."

Election campaigns are like referenda of a sort, I guess, for a member in particular, because as you go around from door to door, you meet all sorts and conditions of men, women, children, dogs and cats, etc. But at the end of days and days of canvassing, one does run into people who have moved around this country. I am sure if you were asking people, as certainly members of our party were asking, what they thought about automobile insurance in Ontario, whether they had any experience in other provinces, what their feelings were about those plans and so on, you discovered universally that people who have moved to this province cannot understand why this province does not have a publicly operated automobile plan, and they do not hedge the question. They do not make reservations. They do not say: "The service is bad and the staff morale is poor. You do not get a good deal on your auto body repairs. The thing comes back only half fixed," and so on. You do not get any of that stuff. There are no fundamental problems that people who use the system have.

During that campaign, many of us were following hard on the heels of or being followed very closely by the little guys with the bags, who were giving out these things, putting them in the doors. "Automobile insurance: Let's get the facts straight." It was the automobile insurance.

1720

I suppose this cost a few pennies, but in the Hamilton region generally, the campaign of the automobile insurance industry ran to figures that were in excess of the combined costs of all of the

campaigns of my colleagues the member for Hamilton Mountain (Mr. Charlton) and the member for Hamilton East (Mr. Mackenzie), of myself in Hamilton West and, I dare say, of my colleague the member for Hamilton Centre.

They spent that much on that one issue. We were covering the whole front of issues and doing a whole lot of things in those campaigns. When we ask ourselves the ratio of dollars that went into the campaign around automobile insurance, it was a frightening sum.

It is not surprising that in light of that kind of development in election campaigning and the commitment of private resources around single issues, there have been suggestions in the federal House, for example, that the Election Finances Act ought to be amended in such a way as to virtually make that kind of expenditure by private corporations and private interest groups illegal.

I am not sure about that proposition. I have some problems with it. None the less, it is not surprising. This is precisely the kind of activity by a private interest group in the midst of an election that will force legislatures ultimately, I think, to take that stand. As I say, I think it has problems with it. But it is that kind of abuse of power and money in public debates by well-heeled private interest groups that is going to bring that kind of result some day, unless they are more restrained in their activities.

What I discovered in the election campaign was that the insurance campaign was in some respects marginally effective with people who obviously found it difficult to find any authoritative study anywhere to refer to that would tell them how it was with the western plans. We in this party have been insisting time without end that if people like the member for York Mills want to get up and give us a little sample of statistics about the western plans, why do they not advocate that the government sponsor, ask an independent agency, get in some fashion an extensive investigation and report on the western plans?

Then they would find out what all of us want to know, which is, how is it that western plans appear to be able to deliver more cost-effective insurance? How is it that, even though there may have been some faults in the Woods Gordon report—and there may have been—none the less, that very eminent and reputable accounting firm brought back a report which said there were no obvious uses of additional and miscellaneous government incomes of one kind or another fed into the plan in order to reduce those costs? How is it that if things are so bad out there, Mr. Slater

himself said they were efficiently run plans and that they served important social purposes?

There has been no independent judgement of the western plans that is substantially negative. Why do we not clinch the matter once and for all? Why does the member for York Mills not carry back to his minister, who will carry back to cabinet and carry back to caucus, the urgent message—one which he would like, obviously, to have settled, because he has dug into it to a certain degree—to settle this urgent question once and for all? Then the government, ourselves and the public will have that final word and we can all at least begin to settle our policies in the light of what is the best information available.

If they are not afraid to do that, why do they not do it? We have tried to do our research, we have come to our conclusions and we have laid them out relatively clearly, we think. We think they are convincing and we think they will be upheld. So why are we not getting on with that job? I do not understand that.

It is all well and good to have a little committee out there or a commission studying no-fault or studying some other aspect of something the government thinks might be appropriate to respond to one or another of the individual problems in the automobile insurance system.

Last spring I sent out a householder to all of my constituents and I got by far the largest response I have ever had to any householder, somewhere in the order of about 2,300 responses. It was not a householder that asked you to “check here if you like this or check here if you do not like that.” It asked people to write their own stories, and that takes a little bit of time. Virtually every one of those cards came back with a very substantial story on the back telling about that individual’s insurance problem.

I have to tell members there was every one of the eight problems our own caucus committee which travelled the province discovered out there with regard to automobile insurance. Whether it was excessive premiums or arbitrary cancellations and refusals to renew insurance; discriminatory rate increases; taxing all drivers in a household the same way or penalizing them all even though only one of them had a bad driving record; the problem of discrimination against young male drivers or middle-aged women drivers who were just beginning to drive; drivers who had cancelled their insurance and then tried to pick it up again and suddenly discovered their rates leapt as though they were new drivers once more; the growing number of people driving without insurance, or the issue of no-fault or of

legal costs, I discovered in card after card returned to me that those kinds of problems were out there in massive numbers.

I could have brought them here and stacked them up and started reading them to you. I could have bored you to death with case after case after case. Some of them were really very absurd—for example, a young men whose car was broken into and whose stereo was stolen. He went to the insurance company and asked to get that handled. What was the judgement on him at the end of the day? His insurance rates were increased as a result of the incident because he was labelled a high-risk driver.

There was more than one of those examples of that kind of vandalism, break-in, theft of something in the car, and the driver, at the end of the day, being charged and penalized for being a high-risk driver. That just does not make sense, obviously.

That is the extreme, and obviously everybody’s problem did not have that degree of absurdity in it, but all of those people who replied to me had serious problems with insurance. You had only to read the story to see exactly what the problem was.

It is true that when people give you that kind of information, it is to a certain extent anecdotal. The member for High Park-Swansea (Mr. Fleet) got up the other day and said, “In the midst of the last election campaign, we had somebody who was not exactly right in all of his statistics and something happened about checking it out. Wasn’t it great, because the insurance company came back and gave us all the true information about that particular situation?”

If you look at the instances I found reported to me, you would have to conclude that there was something pretty wrong with the insurance company’s own statistical operations and handling. I do not know it proves anything very much simply to say, “The insurance company said he was wrong; it was this way and that way and something or other else.” I am not sure why we should accept the insurance company’s word over the word of a consumer, who is dependent on that company for his insurance.

We have been treated over the last year by the former Minister of Consumer and Commercial Relations to various reasons why there was a problem out there. At first, he would not admit there was a problem. For the minister, it was simply a matter, as it would be for my friend the member for Leeds-Grenville, of the market handling everything: The marketplace was the proper judge; everything that happens out there

in the marketplace is fine because it is the marketplace. I respect that. That is a fundamentalist position that anybody can adopt.

If the minister wants to try to live with it, I would like to see him live with it, because I think he would very soon perish in the kind of nonregulated world that would result. None the less, if he wants to take that position, that is a philosophical position. One may have it and one may talk about the unseen hand in the marketplace and get very mystical, as the Fraser Institute does. Even so, one appreciates the gentleman's consistency.

1730

The issue surely and finally has to be an issue of results. Surely the results are investigatable, as I said earlier, and surely it is possible for us to have the kind of study that would give us that kind of information. But the minister last year, asked numerous times to do that, was not willing to do so. His first answer was, "The marketplace should settle everything."

Then he suggested, of course, that the reason there were problems was that Ontario motorists were somehow greedier in the claims that they placed and that there was something wrong with the Ontario driver that led to the higher premium rates. That, of course, did not wash for very long.

Then he started suggesting that perhaps it was because there were so many cars and so many people and so many miles of road and so many drivers in Ontario that one must assume that, given all that, there must be a higher accident rate, there must be greater injury rates in Ontario and therefore that is why the insurance rates were higher.

Well, then, of course, when one looked at actual statistics over a reasonable flow of years in the course of the 1980s, one discovered that the accident rates in the western provinces were in fact higher than they were in Ontario. Why is that? I do not know. I do not know that anybody knows. I suggest it may be that Ontario carries a high volume of traffic on divided highways like the Queen Elizabeth Way or Highway 401, and that may have something to do with it, but maybe that has nothing to do with it.

Mr. Morin-Strom: Maybe unreported accidents.

Mr. Allen: Maybe the levels of reporting and levels of nonreporting. Who knows? There are just a lot of problems out there.

But at least the statistics we do have that are gathered by the provinces in question, which are obviously concerned about levels of accidents on their highways, do tell us that the accident rate is

higher in the western provinces. It does not sort of square with your anecdotal or impressionistic sense of how it should be, but there it is.

Indeed, the fact of the matter is that even if you turn to the injury rates and compare the western plans and the Ontario plans, you find that, with the exception of Saskatchewan, the injury rates in the western provinces also are higher than they are in Ontario. So that kind of anecdotal approach was not any good. It did not work for the minister, so the minister did not get very far down that road.

Eventually, of course, the minister had to come into the House on one fine April day and to lambaste the industry for being so arbitrary, for being so high-handed, for being so expensive in its rate setting, for being this and that and another thing, and the insurance industry did not know what hit it. Here was this guy who had been defending the marketplace, who had been defending them all down the road, saying there is nothing wrong with the level of costs of insurance, now suddenly turning around and turning on them and telling them there was something wrong with their industry, they were arbitrary and high-handed and what have you.

It sounded a little bit like ourselves for a time to hear the minister talk that way, but of course he was going to propose some solutions. He had a number of propositions to put before us which he was going to use to tackle this problem—not in a doctrinaire, ideological way, as the NDP would do; not to have a publicly owned plan that would service the consumers on a one-stop, across-the-board basis. He was going to set up a series of mechanisms that would deal with the problem.

No need to recapitulate them all, of course, but there was a capping mechanism; there were going to be rebates; there was going to be a move to nondiscriminatory rates; there would be an auto insurance review board and so on and so on.

That lasted for a while until we got through the election. The Premier assured us in the election that something was going to happen, that it was really going to be very substantial. The Premier was going to protect the driver; the new government would protect the driver if it were elected and so on. The only thing we have in hand, at least to this point, is this bill, which we are debating now. It deals purely and simply not with a regulatory mechanism but with a board that may just review, that in the course of reviewing may or may not recommend, that obviously lacks very much in the way of teeth.

I think the question all of us have at this whole level of representation of truth and fact in the

industry is one that has to be troubling. The question, for example, which has been raised time and time again, about whether the western plans do have some input, not from hidden sources in government but some taxation directed into the government plans, is one that was used very widely in the past election in order to discredit the concept of a publicly run plan.

Let me simply put on the record the problem which has been pointed to, and not just pointed to but, even though it has been refuted time and time again, exploited dramatically in the last election by the insurance companies and the brokers in their campaign against our party and against publicly owned automobile insurance. They point, of course, to three instances, and always are pointing to exactly the same three instances in the past where, they allege, there has been taxpayer money flowed in large quantities into the public auto insurance plans.

Let us look at them, because we might as well deal with the charges themselves. The first of these is in Manitoba between 1975 and 1978. During that period of time, the Manitoba government asked itself whether there was not some way to make the cost of automobile insurance somewhat more equitable in terms of the amount of time the driver spent on the road. The way it decided to gauge that was in terms of the gas consumption of the driver in question, so it placed a small tax upon gasoline which would go into the automobile insurance plan.

The notion was that if you are on the road more frequently, you are more apt to be involved in accidents and therefore the more gas you consume. There was something equitable about attaching the amount of gas you consumed to feeding a small income into the automobile insurance plan.

It seemed to make a good deal of sense. In fact, other administrations have looked at it as well and may even use it, for all I know. Of course, the automobile insurance industry instantly attacked the provincial government in Manitoba for using taxes to subsidize the automobile insurance plan. It was a tax, but it was not general taxation. It was a specific tax and it had its intention. It was not everybody, indiscriminately, whether he drove a car, whether he consumed gas, who would be paying into the plan through that device.

The government said, "Who needs this nonsense?" and simply got out of the arrangement. From that point, as previously, not a cent of any kind of taxation, let alone this kind of tax, went into the plan.

If we look at the other instances: for example, in Saskatchewan, it is alleged that the Saskatchewan government flowed tax dollars into the government insurance organization in that province. Well, if we look at the facts of the matter, there was some money the government did put into the Saskatchewan government insurance organization—

1740

Mr. Philip: And into crop insurance.

Mr. Allen: —but the Saskatchewan government insurance organization operates a whole series of insurance arrangements, and among them is crop insurance. That year happened to be a devastating year as far as hailstorms were concerned. Crops went under like you would not believe, and the massive costs of reimbursing farmers on their crop insurance were too much for the crop insurance section of the plan to handle. The government did the obvious thing. Rather than see people defaulted on the insurance they were due it contributed to the plan; those payments were made and the farmers in question were dealt with justly.

There is nothing essentially wrong with that, as far as I can see. Although I do not know it, the next year the rates for crop insurance may well have gone up. Whether they did or not is beside the point. The point is that general income tax dollars were not funnelled into automobile insurance in Saskatchewan; never were, never have been and are not today.

Third case, British Columbia: it is alleged on this small piece of paper, as it has been alleged so often, that in British Columbia in 1976, \$181 million of taxpayers' money was put into the auto plan in order to cover losses. In this instance, it is true. There was \$181 million of general revenue money that went into the plan, paid into the plan by a Social Credit government to top it up.

It was for two reasons. One, there were losses because when the plan was first set up, the premiums were set too low. That happened partly because the insurance industry would not give any of the appropriate information to the government to help it set up the rate structure.

The second reason was that the government in question, the Social Credit government, was contemplating at that point in its history selling that plan to a private agency. What they wanted to do to sell it was to make it look actuarially sound, make certain it was in good shape before they trotted it off to a private buyer, so they put the money in. Of course, they soon discovered that that was not a very popular move to

make—namely, selling it off—and at the end of the day they kept the plan under public ownership.

Those are the three examples that are used by the insurance industry to demonstrate to all and sundry that regularly, on an ongoing basis, public revenues from general taxation constantly go into the publicly owned plans in western Canada to make sure they get subsidized, so that in the end the consumer can get a subsidized insurance rate out of government insurance. It ain't true; it simply is not true. The three examples I have given are the only ones the insurance industry trots out regularly to hoodwink the public about public automobile insurance plans.

Inevitably, and properly so, when we in this party speak on this subject, even on a bill such as Bill 2, which is setting up an auto insurance review board, we come back to the bigger question of whether public automobile insurance is or is not a better way of handling the insurance of drivers in Ontario. Sooner or later a government in Ontario is going to have to examine those western plans and other publicly operated plans honestly and, based on real information and real fact, is going to have to make a decision whether automobile insurance, publicly operated, is more efficient.

We in this party think it is. We think the inhabitants of western Canada are convinced it is. There is no movement in the west to privatize the auto insurance plans in the west. In a sense, Mr. Speaker, you might almost rule me out of order for speaking at length about public auto insurance when we are only talking about a bill that has for its focus an auto insurance review board. I notice in your generosity and in your kindly spirit in which you regard all of the members in this House that you have not done that. None the less, it is inevitable that we come back to the question.

I simply submit to you, Mr. Speaker, in concluding my remarks, that we will keep coming back to this question either until we have a plan, see it functioning and learn its worth, or until we have a study that tells us in a substantial way whether it is worth doing. To date, we do not have that. We do not understand why the government is rejecting that option without having done the necessary study.

Let us get on with that kind of inquiry and let us get on with that kind of debate; because rest assured: when this bill goes out to committee and we start having hearings, the debate is not going to be around whether this diddley auto insurance review board is going to be the subject of

concern. What will be the subject of concern for people who are coming before that committee to make their views heard on this bill will be that the drivers of Ontario deserve something better than a little piecemeal response to a major problem they have been having for years and years. In fact, the government will find that most of the consumers who come before that committee will be telling it that, in their view, there is nothing wrong with public auto insurance and asking, "Why do we not get on with it"?

Mr. McLean: I just wanted to comment briefly on the remarks made by the member. I observed during his presentation some facts that he related that were very interesting. I often wonder why the member and his party have not taken the time to go into a little more depth, and I would be interested in hearing some of the results of interviews that would take place with regard to the other governments across Canada that have public auto insurance. I would certainly be enthused to see a report from a government in western Canada on what procedures it uses and the total aspect of the whole government-run insurance.

I think that everybody in this Legislature would do well to hear really what other jurisdictions have to say, and I know the member is referring to that and I just wanted to comment on that.

Mr. Allen: I thank the member for his comment. I think it reiterates the point I was making that it would be very helpful indeed to have a fair and comprehensive study. The reason that our small caucus does not have one is that you have to have some pretty massive research resources to put in place a major study that would involve counting assessments and what have you of the western plans. We have certainly undertaken as much of that kind of study as we can, we have issued our own brief summary of our conclusion and I would be happy to send the member a copy of that if he would like to see it.

Certainly it needs much more substantial study, and I think until we all have that in hand, we perhaps need to properly suspend certain of our conclusions with respect to its benefits. None the less, certainly the anecdotal information that we all get from western Canada, as well as some of the systematic investigation that has taken place, tells us how solidly built those plans are; how secure the service is; how convenient it is to have one-stop service, unlike the arrangements we have in Ontario; and, in fact, how economical the rates are and have been on an ongoing basis, year in and year out, in those plans.

1750

Mr. Philip: I would like an opportunity to participate in this debate on Bill 2, called An Act to establish the Ontario Automobile Insurance Board and to provide for the Review of Automobile Insurance Rates.

Auto insurance rates are a major problem in my riding, perhaps more than for some of the other members. I live in a riding where the average working person must frequently drive an automobile because of the way in which the plants are located in other jurisdictions where they work. They must commute to work—indeed, I am 25 miles from the Legislature—and people who are on shift work and go downtown or go to Mississauga have no choice but to drive their cars to work.

A good number of the people who live in my riding are also the owners of taxis and of limousine services that serve the airport. It was during the election that our leader, the member for York South (Mr. B. Rae), and I met with the association involved with the limousine drivers at the airport and heard some of their stories.

We heard stories from people like the gentleman who was 55 years old, who had saved his money when he first immigrated to Canada, who had bought a limousine at considerable cost to himself and his family and who had had a reasonable business over the years. Now, at age 55, he was saying that whereas in the past he had to drive his limousine only eight or 10 hours a day, in order to pay the insurance premiums he was having to drive 14 hours a day. He said quite frankly that at age 55, driving with the kind of back problems that are caused by being in that kind of job for 30 years, he simply could not cope and he was packing it in.

We had the case of the small businessman who told me that whereas he had previously had two trucks on the road, he had to take one truck off the road, lay off his driver, and in fact he and his wife were delivering with their one truck after their store was closed.

So I have seen some very real situations among my own constituents.

The example was given earlier about people whose premiums were raised even though they were not at fault. I had a recent case that I brought to the inspector of insurance for Ontario in which a senior citizen in a seniors' building had her premiums go up substantially simply because somebody in that building had too much to drink, threw a chair out the window, it landed on the top of her car, and suddenly her rates go up as a result of a small accident of the chair falling on the top

of the car. It was legally parked in the public parking space—

Mr. Swart: Nobody in the car, was there?

Mr. Philip: Nobody in the car, luckily.

An hon. member: Or in the chair.

Mr. Philip: And nobody in the chair, luckily. Interjection.

Mr. Philip: I am always pleased when my colleagues on the standing committee on public accounts assist me in being absolutely accurate. There was nobody in the chair. I imagine if there had been somebody in the chair when it went out the window, then her insurance would have more than tripled rather than simply going up some \$50 or \$60 a year.

Interjection.

Mr. Philip: I can tell the member for Dovercourt (Mr. Lupusella) that many of the dump truck drivers who live in his riding are upset at the way in which he sold them out as consumers with this abominable bill. That is what I can tell him, with his interjections.

When we first raised the issue of automobile insurance in this House several years ago, the minister said there was no problem. Then on June 29, just three hours before the House was to recess, he tabled what amounts to a facsimile of this bill.

Either there was a problem or there was not a problem. If there was not a problem, then why was it necessary to introduce legislation? And if that legislation could stand up to scrutiny, why was it not tabled earlier so that a full debate could have taken place before an election, rather than pretending to do something to get one through the election, as the Liberal government did?

That is why one has to be suspicious of a bill tabled what amounted to three hours before the Legislature was to adjourn so that they could go to the people during the election saying: "We have something that is going to correct your problems. We were afraid to debate it. We did not want public scrutiny of the bill, but somehow we are going to do something for you."

One could, if one were somewhat cynical, suggest that the only reason this bill was introduced in the first place was to get the Liberals through the election, to pretend they were going to do something for the consumer, knowing full well they were doing very little.

So, Mr. Speaker, from the same people who brought us wage and price controls federally—and you remember how well those price controls worked—we get a similar kind of bill that is supposed to somehow review the prices of

premiums. They will probably be as effective as their federal counterparts were in controlling prices through wage and price controls.

The Liberals promised during the election campaign that there would be a cap on insurance premiums. Now we see just how this government fails to keep its promises. At the time the minister made the statement announcing the bill, he also announced he was going to allow an increase of over four per cent in the insurance premiums. How can you have a cap and say, "We are going to have a cap but we are still going to raise the rates"? It simply is a contradiction in anyone's logic.

In 1986, when this government appointed a one-man commission to look into auto insurance problems, it stated it wanted an unbiased assessment. It then restricted the commission. It restricted it through ministerial statements. The minister publicly stated that the government was philosophically opposed to at least one of the options, the particular one we were advocating, namely, government owned and operated insurance.

Thus, in spite of the fact that a system had existed in Saskatchewan for 40 years, one which the Conservative government in Saskatchewan now would not dare touch—

Mr. Swart: The Liberals would not either.

Mr. Philip: Nor would the Liberals, even though they opposed it initially—in spite of the fact that a system has existed in Manitoba for some 16 years, which the Conservative govern-

ment, when it got into power, would not dismantle, in spite of the fact that—

Mr. Lupusella: Mention the deficit.

Mr. Swart: There is no deficit.

Mr. Philip: The member for Dovercourt, as usual, does not know what he is talking about. He did not know what he was talking about when he was on this side of the House and he does not know any better on that side of the House.

The Deputy Speaker: Order.

Interjections.

Mr. Philip: I had to listen to the member for Dovercourt in the standing committee on administration of justice. I know he did not know what he was talking about then, and he does not know what he is talking about again.

Mr. Lupusella: Mr. Speaker, on a point of order: I would like to remind the gentleman over there that Manitoba has a \$57-million deficit.

The Deputy Speaker: That is not a point of order.

Mr. Swart: Mr. Speaker, if you allow that sort of point of order, perhaps you will allow me the point of order that, in fact, Manitoba has no deficit. It had accumulated a surplus over the years; 11 years of surplus, five years of deficit, and it still has some surplus left.

The Deputy Speaker: Order. Would the member for Etobicoke-Rexdale proceed please.

On motion by Mr. Philip, the debate was adjourned.

The House adjourned at 5:59 p.m.

ANSWERS TO QUESTIONS IN ORDERS AND NOTICES

TRANSFER PAYMENTS

2. Mr. R. F. Johnston: Would the Minister of Education provide data on the provincial general legislative grants to boards of education based on the 1986 audited statements? [Tabled November 16, 1987]

Hon. Mr. Ward: I am pleased to advise that data on general legislative grants, including direct capital grants, on a board-by-board basis, have been included in the School Board 3 Year Statistics 1985/86/87, filed in the Legislature, Tuesday, November 10, 1987.

INTERIM ANSWERS

3 to 16. Miss Martel: Hon. Mr. Grandmaître—A full response cannot be prepared within the time period outlined in standing order 88(d). A full response will be provided on January 28, 1988, approximately.

17. Mr. Wildman: Hon. Mr. Elston—The detail required by this question will necessitate an in-depth review of ministry records. Accordingly, the information cannot be provided within the normal 14 days. An answer should be available approximately January 29, 1988.

RESPONSE TO PETITION

FRENCH COURSES

Sessional paper P-2, re French-language training available to members of the New Democratic Party caucus staff.

Hon. Mr. Elston: In response to the petition presented to the House by NDP caucus staff members, it is regrettable that caucus staff experienced disappointment with respect to language training services, but access to French-

language training was neither reduced nor denied.

The human resources secretariat's French Training and Evaluation Centre has recently reviewed and enhanced its programs. These programs are provided to all ministries, schedule I agencies and the Legislative Assembly.

The centre can accommodate up to 800 students province-wide. Some of these individuals are registered in intensive classes (20 hours per week), others in evening or private classes (four hours per week). Any Ontario public service employee whom the FTEC cannot accommodate is encouraged to seek language training outside the government in community colleges, universities or private teaching establishments. The FTEC's personnel will gladly assist employees, through their language training/language evaluation co-ordinators, in locating outside teaching establishments.

In attempting to structure and fill its classes, the FTEC must rely on information provided on its language training request forms. Unfortunately, due to the pressures of September's provincial election, the NDP caucus staff's forms were incomplete and attempts at securing the necessary information proved unsuccessful, resulting in no NDP caucus staff registration for that session.

The FTEC has since received application forms for the January 1988 term from the NDP caucus office. These requests will be granted all due consideration and the FTEC hopes to provide language training to many of these individuals.

I hope this provides some clarification and trust the NDP caucus recognizes our will to provide encouragement to all involved in the implementation of Bill 8.

ALPHABETICAL LIST OF MEMBERS*

(130 seats)

First Session, 34th Parliament

Lieutenant Governor: Hon. Lincoln M. Alexander, PC, QC

-
- Adams, Peter (Peterborough L)
 Allen, Richard (Hamilton West NDP)
 Ballinger, William G. (Durham-York L)
 Beer, Charles (York North L)
 Black, Kenneth H. (Muskoka-Georgian Bay L)
 Bossy, Maurice L. (Chatham-Kent L)
Bradley, Hon. James J., Minister of the Environment (St. Catharines L)
 Brandt, Andrew S. (Sarnia PC)
 Breagh, Michael J. (Oshawa NDP)
 Brown, Michael A. (Algoma-Manitoulin L)
 Bryden, Marion (Beaches-Woodbine NDP)
 Callahan, Robert V. (Brampton South L)
 Campbell, Sterling (Sudbury L)
Caplan, Hon. Elinor, Minister of Health (Oriole L)
 Carrothers, Douglas A. (Oakville South L)
 Charlton, Brian A. (Hamilton Mountain NDP)
 Chiarelli, Robert (Ottawa West L)
 Cleary, John C. (Cornwall L)
 Collins, Shirley (Wentworth East L)
Conway, Hon. Sean G., Minister of Mines (Renfrew North L)
 Cooke, David R. (Kitchener L)
 Cooke, David S. (Windsor-Riverside NDP)
 Cordiano, Joseph (Lawrence L)
 Cousens, W. Donald (Markham PC)
 Cureatz, Sam L. (Durham East PC)
Curling, Hon. Alvin, Minister of Skills Development (Scarborough North L)
 Daigeler, Hans (Nepean L)
 Dietsch, Michael M. (St. Catharines-Brock L)
Eakins, Hon. John F., Minister of Municipal Affairs (Victoria-Haliburton L)
Edighoffer, Hon. Hugh A., Speaker (Perth L)
 Elliot, R. Walter (Halton North L)
Elston, Hon. Murray J., Chairman of the Management Board of Cabinet (Bruce L)
 Epp, Herbert A. (Waterloo North L)
 Eves, Ernie L. (Parry Sound PC)
 Farnan, Michael (Cambridge NDP)
 Faubert, Frank (Scarborough-Ellesmere L)
 Fawcett, Joan M. (Northumberland L)
 Ferraro, Rick E. (Guelph L)
 Fleet, David (High Park-Swansea L)
Fontaine, Hon. René, Minister of Northern Development (Cochrane North L)
Fulton, Hon. Ed, Minister of Transportation (Scarborough East L)
 Furlong, Allan W. (Durham Centre L)
Grandmaitre, Hon. Bernard C., Minister of Revenue (Ottawa East L)
 Grier, Ruth A. (Etobicoke-Lakeshore NDP)
 Haggerty, Ray (Niagara South L)
 Hampton, Howard (Rainy River NDP)
 Harris, Michael D. (Nipissing PC)
 Hart, Christine E. (York East L)
 Henderson, D. James (Etobicoke-Humber L)
Hošek, Hon. Chaviva, Minister of Housing (Oakwood L)
 Jackson, Cameron (Burlington South PC)
 Johnson, Jack (Wellington PC)
 Johnston, Richard F. (Scarborough West NDP)
 Kanter, Ron (St. Andrew-St. Patrick L)
Kerrio, Hon. Vincent G., Minister of Natural Resources (Niagara Falls L)
 Keyes, Kenneth A. (Kingston and The Islands L)
 Kozyra, Taras B. (Port Arthur L)
Kwinter, Hon. Monte, Minister of Industry, Trade and Technology (Wilson Heights L)
 Laughren, Floyd (Nickel Belt NDP)
 LeBourdais, Linda (Etobicoke West L)
 Leone, Laureano (Downsview L)
 Lipsett, Ron (Grey L)
 Lupusella, Tony (Dovercourt L)
 MacDonald, Keith (Prince Edward-Lennox L)
 Mackenzie, Bob (Hamilton East NDP)
 Mahoney, Steven W. (Mississauga West L)
Mancini, Hon. Remo, Minister without Portfolio (Essex South L)
 Marland, Margaret (Mississauga South PC)
 Martel, Shelley (Sudbury East NDP)
 Matrundola, Gino (Willowdale L)
 McCague, George R. (Simcoe West PC)
 McClelland, Carman (Brampton North L)
 McGuigan, James F. (Essex-Kent L)
 McGuinty, Dalton J. (Ottawa South L)
 McLean, Allan K. (Simcoe East PC)
McLeod, Hon. Lyn, Minister of Colleges and Universities (Fort William L)
 Miclash, Frank (Kenora L)
 Miller, Gordon I. (Norfolk L)
 Morin, Gilles E. (Carleton East L)
 Morin-Strom, Karl E. (Sault Ste. Marie NDP)

Munro, Hon. Lily O., Minister of Culture and Communications (Hamilton Centre L)

Neumann, David E. (Brantford L)

Nicholas, Cindy (Scarborough Centre L)

Nixon, J. Bradford (York Mills L)

Nixon, Hon. Robert F., Deputy Premier, Treasurer of Ontario and Minister of Economics and Minister of Financial Institutions (Brant-Haldimand L)

Offer, Steven (Mississauga North L)

O'Neil, Hon. Hugh P., Minister of Tourism and Recreation (Quinte L)

O'Neill, Yvonne (Ottawa-Rideau L)

Owen, Bruce (Simcoe Centre L)

Patten, Hon. Richard, Minister of Government Services (Ottawa Centre L)

Pelissero, Harry E. (Lincoln L)

Peterson, Hon. David R., Premier and President of the Council and Minister of Intergovernmental Affairs (London Centre L)

Philp, Ed (Etobicoke-Rexdale NDP)

Phillips, Hon. Gerry, Minister of Citizenship (Scarborough-Agincourt L)

Poirier, Jean, Deputy Speaker and Chairman of the Committees of the Whole House (Prescott and Russell L)

Pollock, Jim (Hastings-Peterborough PC)

Polsinelli, Claudio (Yorkview L)

Poole, Dianne (Eglinton L)

Pope, Alan W. (Cochrane South PC)

Pouliot, Gilles (Lake Nipigon NDP)

Rae, Bob (York South NDP)

Ramsay, Hon. David, Minister of Correctional Services (Timiskaming L)

Ray, Michael C. (Windsor-Walkerville L)

Reville, David (Riverdale NDP)

Reycraft, Douglas R. (Middlesex L)

Riddell, Hon. Jack, Minister of Agriculture and Food (Huron L)

Roberts, Marietta L. D., Deputy Chairman of the Committees of the Whole House (Elgin L)

Runciman, Robert W. (Leeds-Grenville PC)

Ruprecht, Tony (Parkdale L)

Scott, Hon. Ian G., Attorney General (St. George-St. David L)

Smith, David W. (Lambton L)

Smith, Hon. E. Joan, Solicitor General (London South L)

Sola, John (Mississauga East L)

Sorbara, Hon. Gregory S., Minister of Labour (York Centre L)

South, Larry (Frontenac-Addington L)

Sterling, Norman W. (Carleton PC)

Stoner, Norah (Durham West L)

Sullivan, Barbara (Halton Centre L)

Swart, Mel (Welland-Thorold NDP)

Sweeney, Hon. John, Minister of Community and Social Services (Kitchener-Wilmot L)

Tatham, Charlie (Oxford L)

Van Horne, Ronald G. (London North L)

Velshi, Murad (Don Mills L)

Villeneuve, Noble (Stormont, Dundas and Glengarry PC)

Ward, Hon. Christopher C., Minister of Education (Wentworth North L)

Wildman, Bud (Algoma NDP)

Wilson, Hon. Mavis, Minister without Portfolio (Dufferin-Peel L)

Wiseman, Douglas J. (Lanark-Renfrew PC)

Wong, Hon. Robert C., Minister of Energy (Fort York L)

Wrye, Hon. William, Minister of Consumer and Commercial Relations (Windsor-Sandwich L)

*The alphabetical list of members appears in each issue. Lists of the members of the executive council, parliamentary assistants and members of committees, brought up to date as necessary, are published in Hansard in the first and last issues of each session and on the first sitting day of each month.

CONTENTS

Monday, December 7, 1987

Members' statements

Dioxin in kraft pulp , Mrs. Grier	879
Government policies , Mr. Sterling	879
Whipper Watson Telethon , Mr. Beer	879
Rebellion of 1837 , Mr. Swart	880
Interval houses , Mr. Harris	880
Bruce Brown , Mr. Miller	880
Commercialization of health services , Mr. Morin-Strom	881

Statements by the ministry

Child care , Hon. Mr. Sweeney	881
School drop-outs , Hon. Mr. Ward	882
Contaminated mussels , Hon. Mrs. Caplan	883

Responses

School drop-outs , Mr. R. F. Johnston	883
Child care , Mr. Allen	884
School drop-outs , Mr. Jackson	884

Oral questions

Trade with United States , Mr. B. Rae, Hon. Mr. Peterson	886
Child care , Mr. B. Rae, Hon. Mr. Sweeney	887
Retail store hours , Mr. Brandt, Hon. Mr. Scott	888
School accommodation , Mr. Jackson, Hon. Mr. Ward	889
Plant closure , Mr. Allen, Hon. Mr. Sorbara	889
Ambulance services , Mr. Eves, Hon. Mrs. Caplan	890
Landfill site , Mrs. Stoner, Hon. Mr. Bradley	891
Trade with United States , Mr. B. Rae, Hon. Mr. Peterson	892
Affordable housing , Mr. Cousens, Hon. Ms. Hošek	892
Property taxes , Ms. Poole, Hon. Mr. Grandmaître	893
Women's health services , Mr. Reville, Hon. Mrs. Caplan	894
Retail store hours , Mr. Sterling, Hon. Mr. Scott	895
Nursing home , Mr. D. S. Cooke, Hon. Mrs. Caplan	895
Water quality , Mr. Pouliot, Hon. Mr. Bradley	895
Programs for disabled persons , Mr. McLean, Hon. Mr. Mancini	896
Women's health services , Mr. Callahan, Hon. Mrs. Caplan	896

Petition

Naturopathy , Miss Martel, tabled	897
--	-----

Motion

Committee sitting , Hon. Mr. Conway, agreed to	897
---	-----

First readings

Ministry of Colleges and Universities Amendment Act , Bill 58, Hon. Mrs. McLeod, agreed to	897
---	-----

Municipal Statute Law Amendment Act , Bill 59, Hon. Mr. Eakins, agreed to	897
Energy Amendment Act , Bill 57, Mr. Wildman, agreed to	897
Hamilton Civic Hospitals Act , Bill Pr24, Ms. Collins, agreed to	898

Second reading

Ontario Automobile Insurance Board Act , Bill 2, Hon. R. F. Nixon, Mr. Runciman, Mr. Mahoney, Mr. Swart, Mr. J. B. Nixon, Mr. Philip, Mr. Pollock, Mr. Allen, Mr. McLean, adjourned	898
--	-----

Answers to questions in Orders and Notices

Transfer payments , question 2, Mr. R. F. Johnston, Hon. Mr. Ward	925
Interim answers , questions 3 to 17	925

Response to petition

French courses , sessional paper P-2, Hon. Mr. Elston	925
--	-----

Other business

Absence of critics , Mr. Harris	885
Speaker's ruling , Mr. Speaker	885
Adjournment	924
Alphabetical list of members	926



C129N
X1
-D23

No. 19

Hansard

Official Report of Debates

Legislative Assembly of Ontario

First Session, 34th Parliament

Tuesday, December 8, 1987

Speaker: Honourable Hugh A. Edighoffer
Clerk of the House: Claude L. DesRosiers

Published by the Legislative Assembly of Ontario
Editor of Debates: Peter Brannan

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of members of the Legislative Assembly of Ontario.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$18.00 per session, from: Sessional Subscription Service, Information Services Branch, Ministry of Government Services, 5th Floor, 880 Bay Street, Toronto, M7A 1N8. Phone (416) 965-2238.

LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday, December 8, 1987

The House met at 1:30 p.m.

Prayers.

MEMBERS' STATEMENTS

TRADE WITH UNITED STATES

Mr. Philip: G Enterprises is an Etobicoke-based manufacturer of mufflers and exhaust systems. On October 7, 1987, just a few days after the Mulroney-Reagan free trade deal was announced, G Enterprises was sold to a firm in Cleveland called Mr. Gasket. On October 13, it was announced that G Enterprises would be closed on January 15, 1988, and that production would be moved to Mescal, Mexico, where wage rates average about 65 cents.

The company will be moving into that area of Mexico that enjoys virtual free trade with the United States. Under the terms of the Mexican-US agreement, the vast majority of goods manufactured in this area re-enter the US duty-free and are treated as though they were US goods. Under the terms of the Canada-US free trade agreement, these Mexican-produced goods will be treated as if they are US goods and thus will enter Canada duty-free.

The employees at G Enterprises will not be the last to lose their jobs as a result of the free trade agreement. They are examples of what will come in the future as firms move production to Mexico, to free trade zones or to the low-wage sweatshops in the US south.

The Premier (Mr. Peterson) called an election on the grounds that he needed a mandate to veto free trade. He now admits he has no such veto. The hundreds of workers at G Enterprises believed the Premier; some of them even voted for him. He has the mandate; now what is he going to do for them?

SCHOOL ACCOMMODATION

Mr. Jackson: Today outside the Legislature, there were hundreds of secondary school students from Sir Winston Churchill Secondary School in Hamilton indicating to this government their concern and their frustration with a recent arbitration decision regarding their school. Those students are pleading with this govern-

ment not to turn this educational issue into an economic issue.

They are hoping this government will honour the promises all members of this House made back on July 4, 1985, when the then Minister of Education, the Minister of Mines and member for Renfrew North (Mr. Conway), stated that, in implementing this policy, the interests of students in all our schools must be first and foremost in our minds. It is clear that now is the time to pay the piper for those political promises and, clearly, this government must honour in a sensitive and responsible fashion its commitment to the educational needs of all the students in this province.

The students are here and they are confused and concerned because they want to hold us accountable for those promises. I am reminded of what the then Minister of Education said when he introduced funding on that day: "I am persuaded once again that the citizens of Ontario are an exemplary and generous people. They are looking to us to resolve these outstanding and historic questions in an exemplary and responsible fashion."

Let us get responsible with this issue.

HUMAN RIGHTS

Mr. Offer: It is my pleasure, as the co-chairman of the Ontario Legislature Committee on Soviet Jewry, to rise and report on Sunday's events in Washington, DC.

I and my colleague and co-chairman, the member for Hamilton West (Mr. Allen), attended a massive demonstration held in Washington on the eve of the third summit between President Reagan and General Secretary Gorbachev. This demonstration was called to bring to the public's attention the issue of the deprivation of human rights and freedoms of those Jews living in the Soviet Union. Many hundreds of thousands of individuals from across Canada and the United States, from all religions, of all political parties and from all walks of life, met together in a unity of spirit and cause.

I was pleased to bring a message from our Premier (Mr. Peterson) to the Canadian delegation at a reception called by Ambassador Gotlieb. That message read, and I quote in part:

"On this historic occasion, it is fitting that we should turn our thoughts to the ideals of human dignity and global peace. The world yearns for the day when we will all live in liberty and justice.

"On this special Freedom Sunday, as you commemorate the struggle of Soviet Jews, I commend each of you for your efforts to achieve freedom and fairness for all the people of the world."

It is signed "David Peterson."

It was an outstanding day in which the message evolved that there can be no peace without justice and there cannot be any justice without human rights and freedoms.

NORTHERN HEALTH SERVICES

Mr. Hampton: I wish to bring to the attention of this House the sorry situation which exists in many small northwestern Ontario communities with respect to health care.

Many Ontarians who live in southern Ontario are accustomed to having general-practice physicians and even medical specialists readily at hand. I want to tell this House that the experience of many communities in northwestern Ontario is quite the opposite.

For example, the town of Rainy River, mentioned in an article in today's Toronto Star, with a population of 1,000 and a large agricultural area surrounding it, has only one physician. He is on call all day every day, to the extent that he is considering leaving the community if another physician is not found to share the workload.

The same kind of condition exists in the community of Ignace, with a population of 2,400, a community that is not by any means isolated.

To date, this government and its predecessors have tried to deal with the problem of too few doctors in the north by offering a grant here and some extra money there, and to no one's surprise, these solutions have not worked.

What is needed is a more novel approach by this government. Why not establish one medical school as the school for northern Ontario and train doctors who want to practise in northern Ontario and who indicate so on their way into medical school, rather than holding out the inducement of money later on?

AFFORDABLE HOUSING

Mr. Cousens: It is abundantly clear that the lack of affordable housing in this province will not be resolved in the creative and innovative

fashion this government would lead us to believe.

One of the more logical options to this crisis would seem to be the use of provincially owned lands in developing affordable housing. In fact, it was this government's campaign pledge to develop 12,000 housing units on government-owned lands. But where are these units? Where is the land?

Has any attention been given to the auditor's report, which questions whether the Downsview rehabilitation centre needs all of its 65 acres of land when the actual buildings and facilities use only seven? Could this land not be used to provide decent, affordable housing?

The Minister of Housing (Ms. Hošek) time and again refuses to answer my questions on this serious matter. For weeks, we on this side of the House have been subjected to bureaucratic baffle-gab and political rhetoric. We have been told that the provision of affordable housing on provincial lands is being actively considered. If this is the case, what provincial lands are being considered?

I believe this is a reasonable question and, on behalf of the thousands of people of Ontario desperately searching for housing, reasonable answers must be given. I cannot tolerate the lack of answers that are coming from the present Minister of Housing, nor should this House.

1340

HUMAN RIGHTS

Mr. Polsinelli: I wish to bring to the attention of this Legislature a recent incident that took place in Brashov, Romania, where on November 15, the day of local elections for regional council, thousands of Romanian citizens marched in protest of the latest austerity measures imposed by the government. These measures include the severe rationing of food and energy while wages are cut by 50 per cent.

The protesters, according to United Press International, stormed the Communist Party headquarters and the city hall. The ensuing violence was the worst in that country in the past decade. The uprising was eventually crushed by security forces, who beat down the protesters and arrested several hundred. There is ample reason to be concerned that those arrested on November 15 will be detained and summarily tried without recourse to legal defence.

The systemic denial of human rights should be of paramount concern to legislators everywhere. Canadians of Romanian heritage and their organizations are particularly concerned with the

reprisals of the Romanian government towards its dissidents and the oppressive measures of that regime.

I would like to welcome those responsible for bringing this information to our attention. They are with us today in the members' gallery. They are: from the Romanian Voice newspaper, Mrs. Mihela Moisin; Professor Tudor Bompă, president of the Romanian National Council; and Nicolai Popescu of the Canadian-Romanian Institute for Human and Cultural Rights.

VISITOR

Mr. Speaker: If I may, I would like to draw the members' attention to a former member of this Legislature who is in the gallery today, Murray Gaunt, the member for Huron-Bruce at one time.

ORAL QUESTIONS

LABOUR LEGISLATION

Mr. B. Rae: My question is to the Minister of Labour, who I see is just coming in. Perhaps I could give him 20 seconds to find his seat.

My question concerns a number of broken promises and unkept commitments of his government. If I can just start with this simple question, I would like to ask him why, for example, when his predecessor, on behalf of the government, told this House on many occasions and when, in particular, he told the people of Ontario during the last election that one of the first priorities of the government would be to introduce legislation with respect to health and safety in the workplace, and indicated, in particular, that it would be a priority for the first session of the government—indeed, he said he would bring it back on the very first day—it is that after the House has been sitting as long as we have been sitting, and when we are about to break for Christmas, we still have no legislation from this government in the vital area of health and safety.

Hon. Mr. Sorbara: I am not sure exactly what my friend is talking about in terms of a commitment to bring in legislation on the very first day. Let me just tell him and reassure him, as I have done privately, that the work is ongoing on the matter of legislation bringing in major revisions to the Occupational Health and Safety Act. Discussions are going on with union representatives, with other unorganized workers and with owners and managers of companies, and I fully expect to be in a position to bring a bill into this House in the relatively near future.

Mr. B. Rae: The minister has indicated on several occasions, both publicly and privately, as

he said, that the government has no intentions to bring in any legislation before Christmas. I see the minister is nodding his head, so he can confirm that fact. The government committed itself as long ago as 1985 to new legislation in the field of affirmative action. As the minister responsible for women's issues, can he tell us why the Liberal Party has broken its promises with respect to legislation dealing with the vital question of affirmative action?

Hon. Mr. Sorbara: I think the Leader of the Opposition ought first to look at some of the steps that have been taken within the public sector on employment equity and affirmative action. I feel and the women's directorate feels that those steps are vital to bringing employment equity and affirmative action to the workplace generally in Ontario.

We are also working on other initiatives. I think he is aware of those. It may well be that in the future I can make a statement on those to clarify them if he is not aware of them. I think we have been very progressive in that area. I do not recall a commitment, whether in 1985 or during the most recent election campaign, to legislate in that area. I think I simply have to refer my friend to the throne speech that began this session, which speech confirms our commitment in that area.

Mr. B. Rae: If the minister needs reminding of what precisely the Liberal Party has been committed to, let me remind him that in May 1983, which is clearly almost to the point of being a historic commitment now of the Liberal Party, the Ontario Liberal Party stated, "Our party is definitely in favour of mandatory affirmative action, of equal opportunities for women."

I would like to ask the minister, why has the government taken no legislative action in terms of affirmative action, in terms of contract compliance, in terms of those issues where other jurisdictions have moved? The federal government has moved in terms of the issue of contract compliance. Why has the minister rejected the approach of taking a legal, full-brunt-of-the-law approach to this question? Why has he broken his commitment, the historic commitment of the Liberal Party, to use the law in order to require companies to have affirmative action programs? Why has the minister rejected that approach?

Hon. Mr. Sorbara: Speaking of historic commitments, I think the Leader of the Opposition ought simply to look at the Pay Equity Act, which is a historic piece of legislation, which I remind him and every member of this House will

be proclaimed on January 1 next year and will have a major impact throughout the public sector, the broader public sector and the private sector in bringing greater economic opportunity and economic equity to the working women of Ontario. It is legislation that breaks new ground not only for every jurisdiction in Canada, but throughout North America. He knows as well as every member of this House knows that it is perhaps the single most important piece of legislation for working women in North America.

Mr. Speaker: New question, the Leader of the Opposition.

Mr. B. Rae: The only thing I can say about that answer is that it is utterly irrelevant to the question I posed to the minister, which dealt with affirmative action. The minister, I would point out, did not—

Mr. Speaker: Order. Is your question to the minister?

Mr. B. Rae: Yes, and I will get to it.

The question I have for the Minister of Labour is this: In 1985, in November of that year, Donald Brown reported on the question of wage protection for workers who are affected by bankruptcy. Mr. Brown called for legislation to ensure that workers got the money owed them from a bankrupt firm before banks or other creditors could collect.

The minister's predecessor is now the Minister of Consumer and Commercial Relations (Mr. Wrye). He is supposed to be protecting consumers, having flunked the protection of workers. He said he would go ahead with provincial legislation in the spring of 1986 even if the federal government did not act. It is now December 1987.

I wonder if the minister can tell us just what he is going to do on behalf of those workers who even now are still left far behind banks and other financial institutions when it comes to their priority. Even now in Ontario there are workers who, when a firm goes bankrupt, are out on their ear and do not have a nickel to show for it from the company because this government has failed to move to protect them when it comes to where it stands on a bankruptcy.

Can the minister tell us why it has taken over two years before he was even aware of the report? Can he tell us now what he is going to do in terms of that broken promise?

Hon. Mr. Sorbara: Just apropos of my friend's comments about passing and flunking, I think that is always an examination and a

question that is put to the voters. I do not think my friend the Leader of the Opposition ought to be making comments. We know who passes and fails in the democratic process. It raises a larger question. I want to speak to the issue the Leader of the Opposition has raised because it is a very important one.

1350

Members will know that the Bankruptcy Act and legislation in respect of bankruptcies, failures of companies, are constitutionally within the purview of the federal government under the British North America Act—specifically sections 91 and 92, I think they are.

I agree that steps need to be taken for greater protection of the wages of working people in this province and right across this country in a situation where a company has petitioned itself or some other entity has petitioned it into bankruptcy. This is not an issue, however, that is going to be solved simply by provincial action. It is one that has to be taken in conjunction with the federal government, revisions to the Bankruptcy Act that will apply to every workplace and every situation of bankruptcy throughout Canada.

Mr. B. Rae: Let me tell the minister something. First of all, his answers are very reminiscent in terms of who won and who has lost. They are very reminiscent of Bill Davis after 1981. The minister was not here then, so he would not recall those conversations, but they are really almost exactly the same. If that is who the minister chooses to follow, that is up to him. If that is the record of the Liberal government, if that is the attitude it wants to take, that is fine. Let that hang around its neck, because that is the way it is going to be.

Surely the Ministry of Labour was aware of the Constitution when it asked somebody of the distinction of Don Brown to look into this question. Surely the minister is not arguing that Mr. Brown is unaware of some of the constitutional issues. Even though Mr. Brown said in 1985 that the provincial government could act in terms of changing the Employment Standards Act and even though his predecessor said that the provincial government would act by 1986, is the minister now saying that the Liberal government has broken that promise and that commitment of his predecessor with respect to protecting workers' wages? Is that what he is saying?

Hon. Mr. Sorbara: I am not saying anything of the sort. When the member refers to the Bill Davis era, he is clearly wrong. What he suggested in his supplementary is that my predecessor as Minister of Labour did not have a

number of accomplishments during his tenure. I would point out to him first-contract legislation, women's legislation, the indexation of workers' pensions and on and on. The achievements of this government and the previous Minister of Labour have been historic. That is a success rate which the voters of this province confirmed.

I invite the views, the reflections, the suggestions and the policy approaches that the Leader of the Opposition and his party—and the third party, the Progressive Conservative Party—might take to protect workers' salaries in a case of bankruptcy. I am not saying to him I will have legislation prepared for January, February or March of next year, but I think it is an urgent matter.

Rather than trying to politicize it by saying, "You had to have it done by 1986 and you did not," why do we not try to put our heads together and see if we cannot develop a legislative approach that is consistent with the federal government's constitutional authority and bring a better regime for workers in that situation?

Mr. B. Rae: I wonder if the minister can explain why the Liberal Party has broken its promises to the people of this province on affirmative action. It has broken its promises on health and safety. It has broken its promises on workers' compensation. It has broken its promises on hours of work. It has broken its promises on protection from plant closures and layoffs and it has broken its promises in terms of protecting workers' wages. We can point to specific commitments that have been made by the Liberal Party, the Liberal government, the Premier (Mr. Peterson) and the previous Minister of Labour with respect to each one of those areas. The government has not budged an inch to deal with those questions nor to help workers in those situations. Can the minister explain why he has managed to break all those promises?

Hon. Mr. Sorbara: Those who enjoy the broadcast of question period either simultaneously or later on in the evening will realize that this week the Leader of the Opposition is on a new theme, that is, broken promises. I think the people who look at the record know that is not true.

Mr. Wildman: You are the ones who are breaking that.

Mr. Speaker: Order.

Hon. Mr. Sorbara: The people of the province know that is not true.

Let us take one specific issue, revisions to the Occupational Health and Safety Act. On the last day of the last parliament, my predecessor

introduced Bill 106, which contained major revisions. Everyone I have talked to, including members of his party, has suggested that there are improvements to be made on Bill 106. People in the union movement, representatives from the Ontario Federation of Labour, have said to me, "Would you please hold off reintroducing Bill 106, because I think there are substantial improvements that we can make." Others have said that as well.

My friend the Leader of the Opposition is shaking his head. I suggest that he check—

Mr. Speaker: Order. I think that is a sufficient answer.

PROPERTY TAXES

Mr. Brandt: My question is for the Minister of Revenue with respect to the question of market value assessment. In following the minister's comments with respect to this very complicated issue, I note the minister on one occasion indicated that before he would implement market value assessment it would require the unanimous consent and approval of the six Metro municipalities. On another occasion, he said it would require a majority vote of the Metro council. Those are two distinctly different positions, both of which I believe I understand reasonably clearly.

I wonder if the minister would, for the purposes of perhaps clarifying the confusion that may arise around this question, indicate to us which of those two positions, both of which he put forward, is the correct position.

Interjections.

Hon. Mr. Scott: Over our dead body.

Mr. Breaugh: Why is Ian Scott laughing?

Hon. Mr. Grandmaitre: No, not exactly.

I must admit to the honourable member that maybe I was a little blunt two weeks ago when I was expecting six municipalities in Metro to co-operate with my ministry in implementing final legislation, but I must admit that my ministry is for ever trying to get all municipal governments to be on side with the final decision of this government. I can assure members that we will continue to co-operate with every municipality in this province. Who knows? One day Metro might have its own reassessment.

Mr. Brandt: I am not sure whether that is a brand-new, emerging third position or what the minister is really alluding to, but the municipal leaders in this great municipality of Metro Toronto would like to get some clarification from him. They have heard comment from the

previous and the past Minister of Revenue, who is in this House at the present time, as the minister knows. He made certain comments with respect to this issue. The minister has taken a couple of positions on it.

Will he please, for the clarification of the House and for the municipal leaders, who are looking for some leadership from him in connection with this issue, indicate exactly what it is he is looking for them to do and what he intends to do?

Hon. Mr. Grandmaître: I still agree with the position of my predecessor. I think he made it very clear to Metro that we would need some consensus from the six municipalities, and we will continue to work on this consensus.

I would like to remind the honourable member that all mayors and Metro politicians are very much aware of our position. That is why this evening they will take a vote and decide for themselves what they want to do with reassessment in Metro.

Mr. Brandt: I have a great deal of respect for the Minister of Revenue, whom I have known for a long time prior to his even coming to this House, and I have to tell members that even he had to smile while he was giving his answer to the House on the last question. It was very difficult for him to keep a straight face.

I have to say that the former Minister of Revenue indicated that the responsibility—I am quoting directly from one of his more sage moments when he gave a direct and very specific quote—

Mr. Breagh: It must have been early in the day.

Mr. Brandt: It was early in the day when he gave this quote. He said, "The responsibility lies with the elected members of the various councils." I take that to mean he was talking about the six councils, the six municipalities in the Metro area. Again, I ask the minister, is it the Metro councils that are going to make this decision or is it the Metro council itself? Who is going to make the decision?

1400

Hon. Mr. Grandmaître: I think the previous Minister of Revenue has said in this House on a number of occasions that reassessment would never be imposed on any municipality in this province, and he was absolutely right. What I am looking for, and also to satisfy my honourable friend, is a consensus and, hopefully, that consensus will come this evening. Let us wait

and see what the final Metro vote will be this evening.

SCHOOL ACCOMMODATION

Mr. Jackson: I have a question for the Minister of Education. I would like to quote a paragraph from the Stephen Goudge decision respecting the matter of the dispute between the Hamilton-Wentworth Roman Catholic Separate School Board and the Hamilton Board of Education and Wentworth County Board of Education.

"The goal of upgrading Roman Catholic secondary school facilities cannot be accomplished only by the transfer of existing facilities from public boards. To do so might impair the viability of the public secondary system. While the transfer of use can contribute to the solution of this problem, the remainder of the solution must be in large part a provincial responsibility and a longer-term goal. It must not be exclusively a burden upon the public secondary school system."

Will the minister assure this House that cabinet will be looking seriously at this specific recommendation as a possible solution to the Hamilton-Wentworth appeal currently before cabinet?

Hon. Mr. Ward: I would like to assure the member for Burlington South that indeed cabinet will review carefully the submissions of the parties to the appeal in the light of the arbitrator's report and will give serious consideration to all the viewpoints that are put forward.

Mr. Jackson: If the minister then has assured this House that this option I have referred to will be looked at seriously, can he today stand in the House and assure this House that the Treasurer (Mr. R. F. Nixon) has provided additional and sufficient capital funds so that cabinet is in a position to consider a new secondary school for the Hamilton-Wentworth impasse?

Hon. Mr. Ward: As I indicated yesterday to the member in my initial answer, cabinet will give careful consideration to the submissions that are put forward by the appellants to the accommodation dispute in Hamilton-Wentworth.

It would not be appropriate for me to respond beyond that, other than to say, certainly in general terms, that the capital allocation for this year throughout Ontario to meet the capital needs of school boards throughout the province is at a level some 50 per cent higher than the previous year. I think that does reflect this government's commitment to ensuring that the students of this

province are provided with adequate accommodation.

Mr. Jackson: It is hard to believe that we are in a position to look at the option seriously if the minister is equivocating on the fact of whether he has sufficient funding.

My final supplementary has to deal with the process involved in the transfers. During the hearings on Bill 30, issues of school transfers were considered in the light of the current regulations in place at the time governing school closures. The school closure policy in Ontario was a sensitive process involving community participation and full notice.

It appears that there is a concern being expressed today that there were a lot of surprises with respect to Mr. Goudge's report. Is the minister prepared to consider a review of the sections of his regulations with respect to the transfer of schools as a result of arbitrators' decisions under Bill 30 and will he advise this House whether he is looking towards building a more sensitive system that involves more community notice and participation in this sensitive issue of transferring facilities in communities across Ontario?

Hon. Mr. Ward: I would like to point out to the member for Burlington South that there have been quite a number of successful transfers, as he is no doubt aware, between coterminous boards throughout this province. Again, there has been a considerable number of successes.

I can indicate to the member that the government is always willing to look at any of its processes at any time, to see if there is any way in which we can enhance them.

HOURS OF WORK

Mr. Mackenzie: I have a question of the Minister of Labour. The minister is well aware that chapter 13 of the Donner report indicates that, using conservative estimates, a reduction in hours to a 40-hour week would likely eliminate unemployment for some 66,000 unemployed workers in Ontario.

Given that changes to the Employment Standards Act that control the hours of work and overtime would be one of the more effective ways of protecting the workers, particularly those in the retail trade, is the minister now prepared to offer that kind of protection to workers in Ontario and bring in some changes that will afford additional protection and more jobs for Ontario workers?

Hon. Mr. Sorbara: There is not unanimity at all as to the job creation effect the changes

proposed by Arthur Donner in his task force report would bring to Ontario; but that is not to suggest that the recommendations contained in the task force report are not good ones, none the less.

The suggestion, I think, from my friend the member for Hamilton East is that changes consistent with what is contained in Donner's report would also be of benefit to retail workers who may be impacted by the changing approach towards—I guess he is referring to Sunday shopping. Obviously, as a result of my commitment and our government's commitment to look at enhanced protection there, we will be examining whether, within the broad parameters Arthur Donner is suggesting in his report, we might be able to enhance protection for those very workers with that sort of regime.

Mr. Mackenzie: I would also ask the minister if he is prepared to take a look at measures such as additional paid vacation, statutory holidays and a gradual reduction of the hours of work below 40 in Ontario, and to do that now, in a time when the economy is not as bad as it has been at times in the past, which is generally considered to be the time to make these kinds of progressive moves, with a view to protecting employment of workers in Ontario as we meet with the additional challenges of automation and so on.

Hon. Mr. Sorbara: There are a number of points the member for Hamilton East is making—additional statutory holidays. I look at Orders and Notices and notice he has introduced a bill which would amend the Employment Standards Act creating, I think it is, three new statutory holidays. He is suggesting, as well, that we consider the possibility of reducing the standard work week to below 40 hours. Arthur Donner in his report is suggesting a 40-hour standard work week.

All of these things are right now the subject of some policy-crafting within the ministry. I can tell my friend that Mr. Donner has now completed phase 2 of his report. That document is being translated into the French language, and I anticipate we are going to be able to release that very soon. That document deals with specific areas, including construction workers, domestics and other specific sectors.

I have already examined some of the bills my friend has introduced and they are consistent and do go beyond some of things Arthur Donner suggested. I tell him and I tell the rest of the members of this House that we look forward some time in 1988 to bringing in some fairly substantial revisions to the Employment Stan-

dards Act. I do not think all of them will be to the satisfaction of my friend, but I think he will welcome many of them.

PURCHASE OF SURPLUS POWER

Mr. Runciman: My question is for the Minister of Energy. I wonder if the minister would tell the House what the policy of his government is with respect to purchasing surplus power from neighbouring provinces.

Hon. Mr. Wong: Purchasing power from neighbouring provinces is within the security-of-supply energy policy for Ontario.

Mr. Runciman: That was another one of the minister's enlightening answers.

Hon. Mr. Bradley: You don't like the long answers; you don't like the short answers. If you want a long answer, ask me.

An hon. member: We do not like no answers; that is the problem.

Mr. Runciman: We are looking for some informative answers. As I said last week, we are getting nonanswers. Obviously, many of these ministers simply do not have a clue about what they are supposed to be doing over there.

1410

Interjections.

Mr. Speaker: Supplementary question?

Mr. Runciman: In the *Globe and Mail*, Canada's national newspaper, of November 30, it was reported that Ontario Hydro declined to purchase surplus power offered by Quebec. I guess we assumed that the minister was asked for his input but, based on his answer, I guess we are going to have to assume otherwise.

Would the minister tell the House whether he agrees with Ontario Hydro's decision and what does he see as the long-term implications of this decision, especially with respect to possible increases in nuclear generating capacity?

Hon. Mr. Wong: With respect to the particular hydroelectric power that Quebec offered to Ontario, Ontario Hydro decided that at the time that power would be available it would not be needed by Ontario and by Hydro in its grid system and therefore it was rejected.

However, in future it could very well be that the demand picture for electricity in Ontario is such that we would have to enter into such a contract.

OCCUPATIONAL HEALTH AND SAFETY

Miss Martel: I have a question for the Minister of Labour. The minister will be aware

that there has been a continuing struggle by the Sudbury Mine, Mill and Smelter Workers Union to have its worker representative have access to the joint health and safety committee. He has not yet been recognized by the company, although this battle has gone on for a year now.

The minister will also be aware that this is a direct violation of the Occupational Health and Safety Act, subsection 8(5), which states, "A committee shall consist of at least two persons of whom at least half shall be workers who do not exercise managerial functions."

I would like to ask the minister, since he is aware of the situation, what he intends to do.

Hon. Mr. Sorbara: I am glad to see my friend the member for Sudbury East is back in the House. I noted her absence last week. I am not sure why she was absent, but she was not keeping up to date. In fact, I think it was a week ago today that I met with the head of the Mine, Mill union in Sudbury. He raised the issue with me at that time.

At that time I had an opportunity to tell him that about two hours before he came into my office I had signed a letter ordering that the representative of the union be appointed to that joint health and safety committee.

Had she asked the question about a week and a half ago, she might have had a more powerful supplementary.

Miss Martel: The minister will know that the first order issued in this case was issued on January 6, 1987, with the compliance date set for February 9, 1987. The company did not appeal the order, there was no compliance and there was no prosecution.

On March 25, 1987, repeat orders were given after complaints were made by the union that the company had not complied. The ministry called this not a repeat order but only an assessment report and some friendly advice to the company. Again there was no compliance. The company has refused now to accept a second individual who wants to be placed on that health and safety committee.

I would say to the minister it is obvious this company has no intention of complying with this order and I would like to know what he intends to do to make sure this act is observed.

Hon. Mr. Sorbara: I guess I was wrong; I think that was a very good supplementary. I think it was an excellent supplementary.

I tell my friend the member for Sudbury East that the order I sent out about a week ago is clear and unequivocal on its face and I expect it to be complied with. The joint health and safety committee, whether at Falconbridge or anywhere

else, is crucial, as she knows, to ongoing health and safety issues in the workplace and I expect those orders to be complied with. If they are not, appropriate measures will be taken.

I can tell my friend that I have, at the very same time, met with the president of the union on that very issue, among a number of other issues, and he, if not the member for Sudbury East, is entirely satisfied with the actions that have been taken by me and the Ministry of Labour in this regard.

TRANSMISSION LINES

Mr. Sterling: Today I received a copy of the decision of the cabinet that turned down the appeal by the Bridlewood community with regard to the Ontario Hydro corridor going through the city of Kanata. I note that it is dated December 2, 1987. This is December 8. I wonder why we did not receive this document December 3. Perhaps it had something to do with the Minister of Education (Mr. Ward) opening a new school under that very hydro line last Thursday.

I say to the Minister of Energy that the people of Kanata are very angry today. They believe his government has not acted properly over the past two years in considering this matter. Is he now willing to offer the people of Bridlewood and the people of eastern Ontario in the city of Kanata the same opportunity as the people in southwestern Ontario were given, to sell their properties at fair market value due to the loss in property values over this decision by his cabinet, due to the fact that there is a possibility the 16-storey, 500-kilowatt twin towers might fall on their property and—

Mr. Speaker: Order. The question is very clear.

Hon. Mr. Wong: We empathize with the feelings of the people in the community. The government, of course, also has to consider the other 200,000 or 300,000 people who would be affected by this decision. One of the important factors we had to consider was due process of law. As the member indicated, the community has had two years in which to have its views known, heard and decided by cabinet.

Mr. Sterling: We have seen two years of bungling by this government over this decision. Bridlewood and Kanata feel that the system of government in this province stinks with regard to this matter. I fear for their confidence in the system. I fear for the violence that this decision may create in that community.

Mr. Speaker: The question is?

Mr. Sterling: Will the minister provide these people with adequate funding to fight Ontario Hydro and to dispute his decision in the courts, where they intend to take this? Will he order Hydro to withhold any construction action on the corridor until this matter has been decided by the courts so that we can finally get some measure of justice? Will he provide the people with adequate financing so he can avoid the violence that is going to take place on that line if those hydro workers go at it?

Mr. Speaker: Order. Two questions were asked.

Hon. Mr. Wong: The joint board that originally made the first decision was a board with integrity and expertise. Its decision was appealed by the community, as the member knows. After full consideration, the cabinet decided that the original board decision was correct. The joint board went further and permitted a mitigation process. This again was appealed. I feel that after two years the matter has been fully discussed.

NEPEAN CIVIC AND PERFORMING ARTS CENTRE

Mr. Daigeler: My question is to the Minister of Culture and Communications. Next April, the city of Nepean will be opening its new civic complex. This impressive facility will house our new city hall, a central library, an outdoor rink and a 1,000-seat theatre, built right in the heart of Nepean, and if I may say so, right next to my constituency office. This beautifully designed complex will become a major focus for the 100,000 residents of Nepean. The theatre will become a real attraction for community events in Nepean and across the Ottawa-Carleton region.

Never to be outdone by the interim leader of the once mighty but now third party, I have brought along for today's show-and-tell hour a beautiful artist's sketch to show how impressive this facility is going to be.

1420

Mr. Speaker: Order. Do you have a question?

Mr. Daigeler: Has the minister had time to study the funding application by the city of Nepean for this project? Does she feel that this is an initiative worthy of provincial support? Finally, when might we expect an announcement and, hopefully, a positive one?

Hon. Ms. Munro: I have indeed studied the Nepean proposal, and visited the civic officials two years ago to take a look at the plans. As everyone in the House knows, those applications

which use community facilities improvement programming dollars must go through the field offices. The proposal has now left the field office and has received favourable analysis through my ministry. I congratulate the people of Nepean and am hopeful that I will be able to provide the member with more positive information at a later date.

Mr. Daigeler: I am appreciative to the minister for her attention to this matter. I would just like to point out to the opposition that we can ask long questions as well on this side of the House.

Mr. Speaker: Do you have a supplementary?

Mr. Daigeler: I would like to point out to the minister that we would be very pleased to see her at the opening of this project, and I would like to invite her to support me in my efforts to have the Premier (Mr. Peterson) present at this opening as well. So I would like to ask the minister whether she is willing to give me her assistance in getting the Premier to celebrate this important event in the life of Nepean and also the very historic achievement that, for the first time in Nepean's history, we have a Liberal member for Nepean.

Hon. Ms. Munro: I think it is a marvellous experience to see so much energy and creativity being shown by a member on issues relating to culture and communications. I join the member in saying I will sincerely look at the invitation, should it come to me, as will the Premier. I invite the whole Legislature to go to Nepean, should it get the money.

PLANT CLOSURE

Mr. Allen: My question is to the Minister of Labour. When I asked the minister a question yesterday about the closure of Lapp Insulators in Hamilton, he replied, "I can tell him...that ministry officials are meeting right now with company officials." It sounded as though the minister were indeed coming to grips in an urgent and concerned way with a problem of Hamilton working people.

What are the facts? There was no meeting going on right then with company officials. The only contact there has been with the company was a brief telephone call placed on December 2 by the manager of the plant to the local plant closure office. That call was the only call that has been made. There have been no calls placed by the ministry to any Lapp official in Hamilton or elsewhere, as far as the company knows, asking the company to explain its action or anything else, and there has been no call from the

minister's office at any point to the union in question.

Is this what the minister calls meeting right away on the urgent and concerned problems of Hamilton workers? How can they take him seriously as a fighter on their behalf if this is the incredibly feeble response he is making?

Hon. Mr. Sorbara: In addition to the discussions that have gone on between my ministry and people within the union and at Lapp, negotiations and discussions have gone on, I am told, between representatives of the Ministry of Industry, Trade and Technology and officials from the company. Obviously, our primary concern is to find a way in which to ensure somehow that Lapp Insulators does not close permanently and finally.

If indeed that is ultimately not possible—and those discussions are, I am told, going on within the Ministry of Industry, Trade and Technology—the Ministry of Labour will be providing assistance to the workers within that industry to help them in retraining programs and in applying their talents in other areas within Hamilton. In addition, because of the size of the payroll, I am told the provisions of Bill 85 that deal with severance pay will be applicable to this situation.

We have a team within the ministry that will be at the disposal of union officials, management officials and the workers to ensure that their rights under the law are protected and indeed, if the plant is going to close—and we all hope that it is not—that there will be assistance for those workers.

Mr. Allen: It is indeed very interesting when the manager of the plant tells us that the only contact he has had with any provincial official was on December 2 when he telephoned that plant closure office.

This government pretends it is gearing up to deal with free trade in this province. This kind of plant closure situation is exactly the pattern that will follow in case after case as we move down the road. Lapp bought its plant in Hamilton in order to supply the Canadian market. They got large contracts with Quebec on the supposition that they were remaining a Canadian supplier. It appears they are now transferring their production to a plant in upstate New York. There is no reason why this production should not stay in Ontario.

Will the minister immediately summon the owners of Lapp from New York to come here and meet with him, the union and community officials in order to discuss ways and means of

bringing this plant back into production in Hamilton?

Hon. Mr. Sorbara: I am not sure whether my friend's question really was a question concerning free trade or whether it was something narrower or broader. Obviously, if he is making a statement on free trade, I think his assessment and the assessments we have heard from many people are consistent with what he has heard. However, I do not think in this particular situation it really is a free trade issue.

The company was purchased a couple of years ago. Lapp in fact purchased the assets of another bankrupt firm, Canadian Porcelain Co. Ltd. and there was an effort to make this a viable enterprise. I am told that it has not been successful. There was a strike that began on November 30 and since that time things have degenerated even further. We are doing what we can on the labour side. My colleague the Minister of Industry, Trade and Technology (Mr. Kwinter) is doing what he can on the industry side. We will be taking co-ordinated steps to see what we can do.

RENTERPRISE PROGRAM

Mr. Pope: My question is to the Minister of Housing. Can the minister, in dealing with the Renterprise issue, explain clearly to this House and to the people of Ontario how tenders are awarded or proposals accepted for Renterprise projects across this province? Can she table all proposals made or tenders offered to the government and those accepted, with explanations of this?

Hon. Ms. Hošek: I am honoured to be the person to receive the first question in this House from the member for Cochrane North.

Interjections.

Hon. Ms. Hošek: Cochrane South, sorry.

The member opposite knows that we decided quite early—I think it was in October—that we were going to phase out Renterprise because there were more quick ways to have an impact on the housing market. However, the way in which the Renterprise project worked was that ads were placed by the ministry calling for proposals, then the proposals were received and evaluated to ensure the best product at the best price, and then there were 15-year interest-free loans provided to those people whom we thought could do a good job in delivering rental accommodation to the people of Ontario.

Mr. Pope: My question specifically to the Minister of Housing was, would she table all of

the tenders and proposals, including those accepted, with an explanation for the decisions made. I would appreciate an answer to that question. It does involve public money. Will the minister table that information this week in the Legislature and can she also explain how the fair market value of land that composes part of these projects was arrived at and policed in the Renterprise program?

Hon. Ms. Hošek: There has already been a question from the Housing critic about this issue and the ministry is preparing a list of all the projects that have been given under Renterprise. When that is complete it will be made available.

1430

Mr. D. S. Cooke: I have a question to the Minister of Labour, who has left the room. I will stand it down.

FARM SAFETY

Mr. Wildman: I have a question for the Minister of Agriculture and Food. The minister will be aware that the accident rate in agriculture in this province in the last two years, 1985 and 1986, was higher than was the accident rate in mining and just behind the construction industry, according to Workers' Compensation Board figures.

A staggering 50 per cent of farm fatalities and half of the child fatalities on farms involved accidents on tractors. In view of this, will the minister move to require mandatory roll bars on all farm machinery, such as tractors, in this province, rather than waiting for the implementation committee to report in April?

Hon. Mr. Riddell: The honourable member knows that we did implement a farm safety program not too long ago. Part of the program was farm safety. My understanding is that a lot of the funding from that program is being used by farmers to put roll bars and cabs on their tractors. I would hope they would voluntarily use our program to continue to put those safety features on not only tractors but also other pieces of machinery and other parts of their farming operations.

I do not think we have to mandate it. I think the farmers are going to utilize the very excellent programs that we always put in place with this government and they will continue to apply more safety measures on their farms than they have in the past.

Mr. Wildman: If the minister's approach had been followed, we would not have mandatory seatbelt legislation in this province. We would

not require hardhats on construction sites in this province. It is a rather silly approach. We recognize that there is a ministry program to assist farmers to put safety devices on their equipment. I am asking if he is prepared to make it mandatory. In Denmark and West Germany, tractor-related deaths were reduced by one tenth the previous average when this legislation was made mandatory in those jurisdictions. Will the minister follow that example?

Hon. Mr. Riddell: I am not prepared at this time to make it mandatory. I would like to wait for a further report on this. We do have a joint committee established to follow up the Richards report. One has to take into consideration other costs that are involved in making such safety measures mandatory. The member knows full well that many farmers have to go into buildings with their tractors to clean up those buildings. If we make roll bars mandatory, it means that they will have to rebuild because they cannot get through the door with those tractors with roll bars on. We have to look at other costs that are going to be involved before we start making such measures mandatory.

HIGHWAY CONSTRUCTION

Mr. Wiseman: A question to the Minister of Transportation: About three weeks ago the regional representative of the Ministry of Transportation met with the municipal people from west Carleton, as well as the town of Arnprior and about 40 concerned citizens, on the rerouting of Madawaska Boulevard, the exit on to Highway 17, the closure of that and the problem the loss of business is creating for many of the merchants there.

I would ask the minister if the region has sent its proposal through to him for the correction of this intersection and if he could give us the answer here today that, we hope, he has approved it.

Hon. Mr. Fulton: No, I do not think I have received the letter, but as I recall, the left-turn intersection the member is referring to was closed at the request of the local councils because of the accident rate. However, we are looking at other intersection improvements that may be effected and I understand they could be effected some time next year to respond to the needs of the local merchants.

Mr. Wiseman: I understood from the region that a proposal had gone through to the minister's office for his approval or disapproval, whatever the case may be, and that it was satisfactory to those 40-some merchants as well as the two

municipalities. I ask the minister if he will check with the region, and if by chance he could, give us an answer before we adjourn for the Christmas holidays.

Hon. Mr. Fulton: The member will be well aware we deal every day with many of the municipalities across the province, not the least of which are those the member represents. I did indicate that I think the report from the ministry is coming forward to make some improvements on Highway 15. I have not seen the specific letter he mentions, but I will look into it in about six minutes from now when leaving question period.

INTERNATIONAL BANKING CENTRES

Mr. Ferraro: I have a question for the Treasurer. He will know that the Mulroney government intends by the end of this month to designate Montreal and Vancouver as international banking centres. The Treasurer will know as well that the Mulroney government intentionally has decided not to designate Toronto, which is downright silly if not ridiculous. My question to the Treasurer is, can he tell the House of his plans and indeed his time line in making sure that the city of Toronto is not relegated to a back seat in the national and global financial arena?

Hon. R. F. Nixon: I agree with all the adjectives used in the honourable member's question and regret that the standing committee of Parliament reported the section positively. I understand that it had been before the committee previously and that under the direction of Mr. Blenkarn, the chairman, it was not reported. Some changes had to be made in the composition of the committee until they got a tied vote and the chairman himself supported the government policy that reported this, I would say, ill-advised recommendation back to the House, unfortunately, for enactment.

As far as we are concerned, we do not feel it is going to substantially change the very healthy competition between Montreal and Toronto, and including Vancouver, but we are watching it very carefully and we are prepared to make any changes necessary in our legislation or imposition of fees in order to maintain that competition. We feel, frankly, that it will not have a substantial effect and that it has a good deal of window-dressing associated with it, but we are observing it very closely.

WORKERS' COMPENSATION

Mr. D. S. Cooke: I have a question for the Minister of Labour. Early when this session returned, I raised during members' statements

the matter of the death of Frank Pival, a 49-year-old resident of Windsor who had worked for 29 years at Wyeth pharmaceuticals and who had had his claim in front of the Workers' Compensation Board for quite some time. In the last two years alone, my office has called the Workers' Compensation Board or contacted it 17 times, the file has been lost at least once and the claim has not been approved as yet.

Does the Minister of Labour approve of this method of dealing with people's lives through the Workers' Compensation Board? What has he specifically done about Frank Pival's case? When is his government going to get serious about cleaning up its problems at the Workers' Compensation Board?

Hon. Mr. Sorbara: As I recall, I did receive some correspondence from my friend the member for Windsor-Riverside on really a tragic case, Mr. Pival's case. If I am not mistaken, I have sent a letter back to him on the issue. It is not an easy and simple matter for the board or for anyone, because the allegation is that the cancer that caused the death of the claimant was caused by a workplace substance. If I recall correctly, it was formaldehyde. That issue, of course, requires a great deal of scientific evidence and it is a very challenging issue for the board.

1440

My friend's suggestion is that the board has taken far too long. I can only tell him I am sympathetic to his concern about the length of time and I have discussed the matter with the chairman of the board and will suggest again that the adjudication of the matter be completed as expeditiously as possible, realizing all the time that it is a very challenging scientific matter to relate what the cause of death was to the conditions in the workplace.

Mr. D. S. Cooke: It is challenging for the Workers' Compensation Board, but it is a hell of a lot more challenging for the Pival family and for a man who died not even knowing that his widow was going to be taken care of by the Workers' Compensation Board after working for 29 years in these kinds of chemicals.

I would like to ask the minister, when is he going to get serious about giving workers like Frank the benefit of the doubt so they can get the benefits they deserve in a modern, 1987 Ontario?

Finally, I would like to ask the minister, what is his response on the request the workers have made at this plant to have a health study, because there are other people who have died from cancer at Wyeth and many other diseases that have been related to the chemicals they work with at

Wyeth? When is he going to get a health study started?

Hon. Mr. Sorbara: There is a frailty in the supplementary question that my friend the member for Windsor-Riverside asked, and that is his suggestion, within the context of his question, that it is a simple matter to determine that certain agents in the workplace were the cause of the brain tumour that caused the death. That simply is not the case. There is no medical evidence currently before the board or anywhere else that can be found to suggest a linkage between the chemical agent and the development of the brain cancer.

I suggest to my friend that if the workers at that plant have put in a request to me for a health study, we will be investigating it. I am not sure whether he is suggesting that request has gone to the ministry or to the board, but I will get back to him on that as soon as I can.

PETITION

SCHOOL BUSES

Mr. Poirier: I have a petition to His Honour the Lieutenant Governor and the Legislative Assembly of Ontario from 205 persons in my riding, asking the Ministry of Transportation to move to amend the provincial traffic laws so that all school buses across the province are uniformly required to come to a full stop at all railway crossings.

INTRODUCTION OF BILLS

MUNICIPALITY OF METROPOLITAN TORONTO AMENDMENT ACT

Hon. Mrs. Smith moved first reading of Bill 61, An Act to amend the Municipality of Metropolitan Toronto Act.

Motion agreed to.

Hon. Mrs. Smith: On December 9, 1986, Metropolitan Toronto council made a decision to request that the province amend the Municipality of Metropolitan Toronto Act to increase the size of the Metropolitan Toronto Board of Commissioners of Police from five members to seven members, one additional member being appointed by the province and one by Metro council.

The ministries of the Solicitor General and Municipal Affairs are of the opinion that the workload of the Metropolitan Toronto Board of Commissioners of Police is sufficient to justify a seven-member board. Further, it is felt that the board's management function with respect to the police force would be enhanced by this change.

This bill was previously given first reading as Bill 81 on June 8, 1987, in the Third Session of the 33rd Parliament. It is my pleasure to reintroduce this bill today.

Mr. Cureatz: On a point of order, Mr. Speaker: I just want to say to the Solicitor General that I am disappointed she did not bring this forward in statements at the beginning of question period instead of sneaking the bill in.

Mr. Speaker: Order.

HEALTH PROTECTION AND PROMOTION AMENDMENT ACT

Mr. Henderson moved first reading of Bill 62, An Act to amend the Health Protection and Promotion Act.

Motion agreed to.

Mr. Henderson: The purpose of this bill is to allow physicians and clinics for sexually transmitted diseases to provide for anonymous testing upon request for exposure to the acquired immune deficiency syndrome, or AIDS, virus. When testing has been performed on an anonymous basis, the clinic or physician will report a positive test to the medical officer of health in a way that does not disclose the identity of the patient.

LABORATORY AND SPECIMEN COLLECTION CENTRE LICENSING AMENDMENT ACT

Mr. Henderson moved first reading of Bill 63, An Act to amend the Laboratory and Specimen Collection Centre Licensing Act.

Motion agreed to.

Mr. Henderson: The purpose of this bill is to permit laboratories and specimen collection centres to report a positive test result for exposure to the acquired immune deficiency syndrome, or AIDS, virus to the medical officer of health in a way that does not disclose the identity of the individual tested when the testing has been performed on an anonymous basis.

HEALTH INSURANCE AMENDMENT ACT

Mr. Henderson moved first reading of Bill 64, An Act to amend the Health Insurance Act.

Motion agreed to.

Mr. Henderson: The purpose of the bill is to make the provision of anonymous testing for the acquired immune deficiency syndrome, or AIDS, virus by physicians, clinics for sexually transmitted diseases, laboratories and specimen collection centres an uninsured service for the purposes of the Ontario health insurance plan.

CITY OF TORONTO ACT

Mr. Kanter moved first reading of Bill Pr16, An Act respecting the City of Toronto.

Motion agreed to.

1450

USE OF TIME IN QUESTION PERIOD

Mr. D. S. Cooke: On a point of order, Mr. Speaker: Could I ask you to look at the questions that were asked today by the member for Nepean (Mr. Daigeler) to see whether they comply with standing order 29(a)? The standing order states, "Questions on matters of urgent public importance may be addressed to the ministers of the crown but the Speaker shall disallow any question which he does not consider urgent or of public importance."

I understand that the Speaker, in the spring of 1985, ruled out of order a question from my colleague the member for Hamilton West (Mr. Allen) that was based on the Halley's Comet issue and its flying over earth. You indicated that was not a question of urgent public importance, and I suggest to you that the questions from the member for Nepean today certainly were not of urgent public importance. I just ask you to look at that.

Mr. Speaker: I am always willing to listen to the members' comments and I will certainly take a look at it. In fact, I may take a look at more questions. I would be glad to.

Mr. R. F. Johnston: On the same point of order, Mr. Speaker: It is appropriate for you to look at other matters, from my perspective, because it is a difficult issue for you. The question is not so much the initial question asking for the minister's help on a particular project but the supplementary asking the minister and perhaps the Premier (Mr. Peterson) to come to visit the member's riding. It was at that point that I thought that we should be drawing the line.

Mr. Speaker: Thanks for your assistance.

NOTICE OF DISSATISFACTION

Mr. Speaker: I would like to inform the members that last Thursday the member for Nipissing (Mr. Harris) gave notice of his dissatisfaction with the answer to a question given by the Solicitor General (Mrs. Smith) and I know all members will be here for that debate at six of the clock this evening.

ANSWERS TO QUESTIONS IN ORDERS AND NOTICES

Hon. Mr. Conway: Before orders of the day, I would like to table the interim answers to

questions 20 and 32 standing in Orders and Notices. [See Hansard for Monday, December 14]

ORDERS OF THE DAY

ONTARIO AUTOMOBILE INSURANCE BOARD ACT (continued)

Resuming the adjourned debate on the motion for second reading of Bill 2, An Act to establish the Ontario Automobile Insurance Board and to provide for the Review of Automobile Insurance Rates.

Mr. Philip: When we adjourned last night at six o'clock, I was talking about the fact that in spite of 40 years' experience in Saskatchewan with public auto insurance, in spite of 16 years' experience in Manitoba, in spite of 14 years' experience in British Columbia and in spite of the fact that independent studies have shown that it is less expensive to go the route of those three western provinces, the minister sent clear signals that this option was not to be studied in his so-called independent studies that were being paid for by the taxpayers.

Even the great right-winger, Premier Vander Zalm, when he is privatizing everything in sight in British Columbia, refuses to privatize the British Columbia auto insurance program.

On October 14, 1986, the member for Wilson Heights (Mr. Kwinter), when he was Minister of Financial Institutions, stated that a rate review board was unworkable and that if one had been in place for the last five years, consumers would be paying between eight and 39 per cent higher premiums.

What is this bill doing, except setting up a rate review board? If it were going to increase rates on October 14, 1986, why is it not going to do something similar right now? The Slater report, which was later tabled, stated as follows, on page 179—this is the independent report paid for by the taxpayers and commissioned by this Liberal government, and it states very clearly:

"Rate regulation has been tried, in its various forms, in the United States with respect to insurance rates. The opinion is that the effects have been largely cosmetic, in that regulators allow deviations from established levels in rates that are, in effect, determined by competitive forces."

First, we have the minister coming out and saying that he is against a rate review board because it is inflationary, then the minister's own independent study that he has commissioned comes out and says it is not a good idea; and yet

now we have the government, with this bill before the House, saying that somehow it is going to solve the problems of the inflation in auto insurance in this province. It just does not make any sense. If it was not applicable a couple of years ago, why is it applicable now? If it would not work a couple of years ago, what are the circumstances in between that would change and make it workable now? The Liberals who get up to speak have not been able to explain what differences there are between two years ago, when it was clearly inappropriate, according to the Liberal minister and his own independent study, and now, when we have the very thing that they were against introduced in the House.

What the bill does is to set in place a complicated mechanism that provides no funding for consumer advocates or consumer groups to have representation on their interests. So what you are going to have are the insurance companies with their accountants and lawyers making their case and no one there representing the consumer. I suggest that if the minister really wanted this bill to work, then he would have at least provided some kind of funding for consumer advocacy so that the consumers would have a learned, well-researched voice to speak on their behalf.

The Liberal government was not content with one study on auto insurance. In November 1986 they appointed yet another commission, this time headed by Mr. Justice Coulter Arthur Osborne. He was supposed to report to the Minister of Financial Institutions (Mr. R. F. Nixon) on November 1 of this year. We still have not seen the results; we are still waiting for that report. So what we have are two studies over two years' time, but not one of them deals with what one would think would be an essential, reasonable thing to do: namely, do a direct comparison, an independent study, with the three western provinces which have public insurance.

I get complaints from young drivers. I get complaints from taxi drivers. I get complaints from limousine drivers. There are a lot of limousine drivers in my riding. They own limousines that work out of the airport, which is just in the adjacent riding.

The Liberals promised during the election that they would deal with that problem. Well, they have done absolutely nothing in this bill or in any other legislation to cap the limousine rates. Limousine drivers can pay as much as \$1,000 a month for insurance. They are now renewed on a monthly basis, so the rates can go up any month.

The minister has put in a reduction for taxi drivers and for young drivers, but it averages something like \$52 per driver. Earlier in the debate I pointed out that while introducing this very bill the minister in fact allowed a large increase as well in the rates for the insurance companies. What we have, then, is that the money is put in with one hand and taken out in larger globs with the other hand.

You tell a taxi driver who is paying \$5,000 or \$6,000 a year for insurance that he has got a great gift from the government—it is going to be reduced by \$52—and see what he will tell the minister, what he thinks of his legislation.

We have heard a lot of figures about percentages that insurance is going up in different provinces, but the fact is that Jack Lyndon himself, the president of the Insurance Bureau of Canada, on April 13, 1987, said that he could not quarrel with the figures that we in the New Democratic Party were tabling as the average insurance. He could not quarrel with the fact that Ontario is much more expensive when you look at auto insurance premiums. On April 14, on CFTO, Jack Lyndon further stated that the figures seemed to be right.

In Ontario the average number of accidents per 100 cars is 3.7, compared with 4.7 in Manitoba, 5.3 in Saskatchewan and 5.2 in British Columbia; so what we have is a higher accident rate in the west and still higher premiums here in Ontario. It just does not make any sense.

The Liberals like to talk about the recent increases in western Canada, but even if we take the very latest increases, we find—and I would like to talk about the bottom line which the Premier (Mr. Peterson) likes to talk about. The bottom line is not the increase you paid, but the premium you paid. The bottom line is that a total six-year increase in British Columbia was 35 per cent; in Manitoba, 37 per cent; and Ontario's six-year increase was over 70 per cent. Including the latest increases in the western provinces, what we end up with are average rates in British Columbia of \$482, Manitoba of \$405 and Saskatchewan of \$251.

1500

I think Ontario motorists who are paying an average of \$640 a year would love to have the premiums the people are paying in either British Columbia, Manitoba or Saskatchewan.

One must ask why the consumers in western Canada do not call for privatization if their system is as bad as the Liberals here try to bring out, with their little letters to the editor and so forth they like to read. Why do the right-wing

Conservative governments that are privatizing everything else not wish to privatize the insurance industry?

Of course, the answer is very clear: because the public as a whole supports it and pays lower premiums than it would under the private enterprise system. If we look at an editorial from the *Winnipeg Free Press*, in the January 1 edition, we see that it deals with the problem. It says: "Spokesmen for the Ontario-based insurance companies insist that they are merely playing catch-up, but those who pay are complaining. That situation has led the Liberal government to admit that the jump in rates is a serious problem, and while it does not want to run its own insurance scheme unless it is substantially cheaper than the private operations, corrective measures would be considered."

That is the position of the Liberal government quoted by the *Winnipeg Free Press*. This is hardly a left-wing newspaper; it has been attacking the New Democratic Party government whenever it could on its editorial page. It says, "Like it or not, the publicly owned system is cheaper."

Here is the *Winnipeg Free Press*, that has been very critical of the government on other matters, that has been monitoring, that has been acting as another opposition force, and yet it still comes out in favour of the system that was developed there.

What we have here, then, is the situation where the Liberals and their rump, the Conservative Party members in this House, try to state that somehow the taxpayers in the western provinces are in some way subsidizing the system.

Of course, when we go case by case, we know that is simply not true. It is the old system that if we—

Mr. Wiseman: What about Manitoba?

Mr. Philip: Manitoba does not have a deficit. If the member would listen to some of the facts, then he would learn something.

Mr. Wiseman: It was in the news the other day that they're in the hole.

Mr. Philip: If the member would kindly listen to the debate, then he would learn something. I realize that is very difficult for him because of his personal prejudices, but if he would kindly listen then we would set the—

Interjection.

Mr. Philip: He can ask questions and I would be happy to answer those questions, but if he would kindly not do it in the middle of my speech. It has been explained to him several

times and either he is a very slow learner, a very poor listener or he simply does not want to have the facts. If he asks me that question, I would be happy to answer it in the debate.

I know that when the member for Lanark-Renfrew (Mr. Wiseman) comes in here on these few occasional times, he does not speak much in the House so he has got to interject in order to get his name on the record occasionally.

Nothing could be farther from the truth. If we look at the Ontario select committee report, it says, "As a result of their findings, the committee is inclined to the conclusion that there are no significant hidden subsidies or free rides that would materially distort the financial information under consideration." It goes on in that same report to show that the overhead or the operating cost of a public system is so much cheaper than in the private enterprise system.

We have before us a bill which will not solve the automobile insurance crisis in Ontario. We have a bill that enacts a process that is bureaucratic and that is contrary to the Liberal government's own study. We have a bill that is contrary to the statements made by the last Liberal Minister of Consumer and Commercial Relations who was also Minister of Financial Institutions. We have a bill that is contrary to the promises made by the Liberals during and before the last election. The minister should be ashamed to enact legislation like this; he should be ashamed that instead of protecting the consumers in this province he is, once again, like his predecessor, protecting the insurance companies.

Mr. Fleet: I wanted to address one particular alleged factor or alleged fact that comes repeatedly from the New Democratic Party on this matter. They keep referring to the number of accidents which occur. That is not the only factor that really impacts on the cost of insurance. The real heart of it is how many dollars get paid out per driver. It is the amount of the claims, the cost of repairing cars, the amount that is awarded in the costs. To not indicate the real facts is what really serves to mislead the public. That is also why this government will be moving forward, as I understand it and as I am urging it, to deal with the process of car repairs. That is one of the elements which drives up the cost of premiums.

The other aspect, of course, that is not really ever told by the opposition party, is that there are community groups that are quite opposed to what it believes. The community groups, such as People to Reduce Impaired Driving Everywhere, believe that the no-fault system on a broad scale

that the NDP would have us adopt is not desirable at all, that it will not assist in encouraging people to be responsible drivers. It is the sort of thing that they never mention. They never really tell the whole story. They give their view. While they believe in it a whole lot, that does not make it right. In fact, it is the more reasoned approach that this government is adopting, and all of the very complex considerations that have to be taken into account, which is what is going to really serve the public.

Mr. Wiseman: I just have to rise to ask the member for Etobicoke-Rexdale (Mr. Philip) a little bit about his car insurance and the fact that he said that Manitoba was not in a deficit position. What we all read and heard on the news was that they had to throw in another \$50 million in order to make it viable.

Also, I would ask the member for Etobicoke-Rexdale if he has ever talked to some of the people who have had an accident in some of these provinces which have the government-run automobile insurance. I have an editor in my particular riding. He said that his first new car sat in a compound all winter long waiting to be fixed. We can all imagine, when we were young, a brand-new car sitting there through all the elements that it would go through in a winter, waiting to be fixed when the particular number came up for his car to be repaired. It was not repaired till spring. It was one of the accidents where the roof and so on had a lot of damage done to it.

Mr. Haggerty: Was his car replaced by one of the government cars?

Mr. Wiseman: No, there was no replacement. He had to take public transit. That was another thing.

Also, the bureaucrats that are set up in government to administer this state-owned automobile insurance—it is never mentioned how many people there are for that. It just makes it look as if the insurance companies are big fat cats without all this other truth coming in.

Mr. Swart: One opponent says thousands of jobs will be lost. Another says they are so inefficient they will have people falling over themselves.

Mr. Wiseman: The member for Welland-Thorold (Mr. Swart) gets so wrapped up in the subject, he gets lost in it.

Mr. Philip: I would be happy to answer the questioners in reverse order. In the first place, if the member knew anything about the western system, he would know that there are no

government bureaucrats. They are self-sufficient companies. Last year, in terms of his question about—

1510

Mr. Wiseman: Who pays them?

Mr. Philip: They are paid out of premiums of course, in the same way as any other insurance company.

In terms of the deficit this year, actually the rate surplus last year in Manitoba was more than sufficient to pay for the deficit this year, so in fact there is no deficit. In terms of the—

Interjections.

Mr. Philip: Mr. Speaker, I have only two minutes to answer. If the member for Lanark-Renfrew is going to keep interrupting me, then I am going to ask for additional time.

The Deputy Speaker: Ignore the interjections.

Mr. Philip: As I was saying when I was so rudely interrupted, in terms of the first speaker, independent studies have shown that the costs of repairs in British Columbia and Manitoba are actually no different from Ontario. In terms of the overhead, however—this is the first part of the question—our own select committee drew the conclusion that in the periods reviewed, 63 per cent of Ontario's expenditures went to play claims, whereas in the case of the three western provinces about 82.8 per cent, 80 per cent and 75.9 per cent of expenditures went to pay claims. In other words, in the three western provinces, there is more money in terms of percentage of the premiums going back to the insured than in Ontario.

I hope that answers his question. I urge him, since he is a new member, to study the select committee report that was tabled in this House.

Mr. Morin-Strom: I appreciate the opportunity to address Bill 2, An Act to establish the Ontario Automobile Insurance Board and to provide for the Review of Automobile Insurance Rates. I think it is most unfortunate for the people of this province that this government has not had the will to do something about the totally unjust rates we are paying and have paid for the last several years in this province. Certainly, this bill will do nothing to solve the injustices that drivers face right across Ontario.

In terms of this Liberal government, there is nowhere its performance has been more disappointing than in its failure to protect Ontario drivers, not only since we have resumed our sitting but also over the last two and a half years. Ontario with public auto insurance is a time that

has come, but we will not get it from this government and from this bill.

The horror story of auto insurance has now reached truly crisis proportions. In Sault Ste. Marie, and I am sure members know it in their communities as well, everyone knows of someone who has been hurt by the insurance companies. Premium costs have been soaring out of sight. There are arbitrary cancellations of policies. We have refusals to renew policies. Young male drivers with good records are being victimized and discriminated against. We have long delays and hassles in the settling of claims. We have all been through it, or we know someone who has been through it. Believe me, this bill will do nothing to solve these problems.

This government could have tackled this problem over the last two years. It knew it would have New Democratic Party support, but what did it do? It did nothing except stall and make more excuses for the insurance companies. Now they have their majority and they are imposing the bill the insurance companies want for the drivers of Ontario. The bills that were brought forward in the last session and the current bill, in effect, are a cruel joke on the drivers of Ontario.

The Liberals have distorted the facts when they claim the NDP blocked legislation in the last session.

Mr. Haggerty: That is a fact; you did.

Mr. Morin-Strom: We did not.

If members have any doubts about whose corner the Liberals are in, I refer them to the May newsletter of the Insurance Brokers Association of Ontario. It says, "To a great degree, both the Liberals and Conservatives have been the defenders of the insurance industry." So who has been protecting the drivers of Ontario? The only party that has protected their interests has been the New Democratic Party.

The NDP has proved conclusively that public auto insurance works. It has worked in British Columbia, Saskatchewan and Manitoba. Public auto insurance is cheaper and fairer. If anyone tries to tell you it is not working in the western provinces, just ask why it is that not one of those provinces has rejected the current plans and imposed a free enterprise solution, despite the political positions of the Conservative and Social Credit parties in those provinces. In fact, we have the absurd situation of Premier Vander Zalm, one of the most right-wing Premiers in the history of this country, being to the left of the current Liberal government in Ontario.

Why is it that a young man of 21 with a clean driving record and three years' driving experi-

ence pays a premium of over \$2,000 in Sault Ste. Marie? Why are new drivers of any age forced to pay premiums at least twice the average rate? Why are all drivers in a household penalized because of one driver's record? We all know why. It can be summed up in one word much loved by the Liberals and their corporate friends, profits.

The NDP think that \$1 billion was a pretty neat profit for the insurance companies to make last year. We think that new record profits this year are pretty neat also—pretty neat for the insurance companies. The NDP believes it is time someone found something neat for drivers. We believe a driver-owned insurance plan is it. Such a plan would produce lower premiums and more efficient service. Such a plan is more economical than the private auto insurance companies can deliver. It will deliver better coverage and simpler administration. Independent studies have shown that the operating costs of public plans are half that of the private insurance system.

Private insurance companies like to tell you how much of their premium dollar is paid out in claims. They are less likely to tell you how much they earn by investing the enormous reserve funds created by those premiums. In Ontario, most of the investment income goes straight into profits. A driver-owned insurance plan would apply investment income to reduce premiums.

We believe the insurance premiums paid by Ontario drivers should be invested in Ontario, not shipped away as company profits. In Ontario, about 60 per cent of the general insurance industry is in the hands of foreign-owned companies.

It is possible to make things better for the drivers of this province, but it can only be done by implementing a driver-owned insurance system like that which has proven so successful in the western provinces. This bill will not do that. It will not provide benefits for the drivers of this province, and I ask the Legislature to reject this bill and defeat it this afternoon.

Mr. Philip: I have a question of the previous speaker. The father of the Minister of Financial Institutions started a marvellous investment called the Province of Ontario Savings Office. One of the abilities or rationales behind that was that it was able to invest money back into the province.

One of the topics the member did not address was the job advantage that could be found by the public insurance companies reinvesting those premiums in Ontario instead of building condo-

miniums in Florida and other places like that. In the interests of the Treasurer's (Mr. R. F. Nixon) father, who had done such a marvellous job on the Ontario savings offices but which the Treasurer has failed to re-enact in a similar way in that he is protecting the insurance companies here, in his name if not in the Treasurer's name, I wonder if he would answer that question.

Mr. Haggerty: I was interested in the comments from the previous speaker. He talked about the lower rates in the western provinces, British Columbia and perhaps Manitoba. I have talked to people out there too, and they say the package they get from government-run insurance out there is the basic. If you require a comprehensive automobile insurance, if you want collision, fire and theft, then you are looking at a higher premium. I suggest that when you include that, it is not much different from the average cost in Ontario.

1520

There are other insurance agencies out there, such as mutual insurance or co-op insurance, that you might say are public, run by individuals themselves who share in automobile insurance, and if you shop around you can get a pretty good deal in these areas. I do not have the time to get into detail on this, but my daughter shopped around and she did get a good deal. Her insurance was reduced considerably.

Mr. Swart: Yes, for a members daughter.

Mr. Haggerty: I think the member for Welland-Thorold is against farm mutual insurance, such as Bertie and Clinton Insurance, which sells automobile insurance, and the co-op insurance; I think he is a member of it. But I will tell members that government does not have all the answers in this area.

If you take Manitoba, for example, there are government lawyers involved in automobile insurance there who are fighting the person who has had problems with an automobile accident. It reminds me of something that takes place in Ontario such as the Workers' Compensation Board. It becomes an adversarial system.

Mr. Neumann: I was wondering whether the member for Sault Ste. Marie (Mr. Morin-Strom) could indicate, with his research of the plans in the western provinces, whether at any time in their history they have been affected by work stoppages and whether these work stoppages have affected the service to the drivers of the provinces.

Mr. Morin-Strom: The issue the member for Etobicoke-Rexdale brings up certainly is a very

valid one. One of the main reasons these plans were implemented in the western provinces was to ensure that the funds generated in insurance plans are available. Insurance plans do build up investments, including tremendous investments in those western plans, which have tremendous reserves which are certainly sufficient to cover the costs of their plans. Keeping those funds within a given province ensures that capital is available for other endeavours within that province and that the income is not being siphoned off into other areas and other countries, as it is here in Ontario.

I think the member for Niagara South (Mr. Haggerty) is quite misinformed in terms of the situation in the western provinces. The rates last year, on average, including all supplementaries, were \$605 in Ontario, \$324 in Manitoba, \$228 in Saskatchewan and \$395 in British Columbia, for a difference of more than \$200 per driver, even in the case closest to Ontario. Even under the projected new rate structure, the premiums in Ontario will still be at least 33 per cent higher than in any of the three western provinces.

I would just say to the member for Brantford (Mr. Neumann) that those plans out west are very successful. They do employ many people at decent wages in those provinces. As a party, we do believe in unions and the right for unions to negotiate contracts. I wish the Liberal Party believed in that as well.

Miss Martel: It gives me great pleasure actually to join in this debate. I had some remarks prepared for the response to the throne speech, but I was not able to get on because there were so many of our party who wanted to take a shot at the government on that. So I am pleased to get up at this point to join in this debate on Bill 2.

I am very pleased to be here. I am pleased to represent the riding of Sudbury East, and I wish to thank the constituents there for showing their support in electing me. I would like to say to them and to the members of this House that I intend to carry on the tradition set by my predecessor, who was a member here for 20 years. I do not know that I intend to stay that long, but I certainly hope my time will be as enjoyable and as successful as his was.

Again, I am pleased to join in this debate. I am pleased also that I will not be supporting Bill 2. It seems to me that it represents not a genuine or a major reform of the auto insurance system in this province; it merely represents some tinkering with the system that is in place. I think that is very unfortunate because in the final days of this campaign I well remember the Premier telling

Ontario that auto insurance and reform to the auto insurance system were going to be a priority when the House returned, that we were going to have some major changes during the first session.

I say to the honourable members here that if this bill is an example of a major change in the auto insurance system, then we are in for some great difficulties in this province. I certainly do not see this legislation, as it now appears, as responding in any way to the priority and the need that really exists out there to make some major changes in this system.

I would like to begin by responding first to the Conservatives who spoke yesterday. It is too bad the member for Leeds-Grenville (Mr. Runciman) is not here. I recognized yesterday in listening to him and to his response on this debate that he is even further right than Attila the Hun. I had heard rumours of that, and that was very much in evidence yesterday. It seemed to me that the poor gentleman was almost going to have cardiac arrest when he talked about the dreaded S word, which I have no problem saying. However, he certainly did have a problem spitting out the word "socialist" and referring to this as the first step down the socialist path. I certainly am glad to represent that and I have no problem in saying that.

Let me say that my own sense in responding to his concerns yesterday was that if the free market does not work—and in this case it does not—perhaps we should do something to change it. It certainly is not responding to the needs of ordinary drivers in this province. Like medicare, where we went in and made changes there to improve that system on behalf of workers and working people in this province, we should certainly do the same thing for auto insurance in this province.

The second thing is that I was quite amazed by his obsession with all the possible adjustments that might result in introducing the rate review board that the government has proposed and in the changes that are going to be made once we remove sex and marital status from the basis of how premiums are set in this province. He went on at great length about that.

I am going to refer back to the newspaper article that he quoted concerning how terrible this rate review board was going to be. He stated that Cliff Fraser, vice-president of State Farm Mutual Auto Insurance, predicted that there would be a change that would mean a jump of up to 50 per cent for women under 25 and perhaps 10 per cent for drivers 25 and over of both sexes. He went on

at quite some length about who and which groups were then going to be affected by higher premiums when the adjustments were made in the system. Of course, he did not point out or make much emphasis of the fact that Fraser also said this is just speculation, but I think there is going to be a tremendous dislocation in auto premiums: some good, some bad, but all changed.

I would say to the member for Leeds-Grenville that it seems obvious to me that the present system is highly discriminatory and that there will be no change when we move to the rate review board. It, too, even though it removes discrimination based on age and sex, is not really the answer we need in this province. He seemed to be quite concerned about how there would be an increase and how we should maintain the status quo and the present system, which indeed is highly discriminatory, which he did not talk about.

I would like to say that what appears now is that young drivers under the age of 25 and males are very much being hit. If we move to the future system as envisioned by the member for Leeds-Grenville, we are also going to have women under 25 or both sexes over 25 hit. My sense is that if you are going to make changes and make sure that no one is being hit unfairly, then you move to a system where premiums are based on the driving record and not on any form of discrimination or any type of classification based on age, sex or marital status. We do not see that movement being made under the provisions of Bill 2.

I would like to respond also to the member for York Mills (Mr. J. B. Nixon). He made a great, lengthy condemnation of the systems in both British Columbia and Manitoba and went on at great length about the increase in premiums in both of those western provinces with those systems. He gave us the statistics concerning increases in the western provinces if you took two years beyond the figures that the member for Welland-Thorold had used.

I would like to point out to the member that he would have given the statistics a little more justice if he had also applied those statistics to the case in Ontario, because we did not get an accurate sense, or any sense at all, of what the rate increases had been in Ontario in the same period of time. We also were not given any idea what the base figure had been before the increases had been applied. We were given that there was some type of tremendous increase in the western provinces, but no idea of the base

figures from which those increases were made. I say that we would have seen in Ontario, if a comparison was made, that the increases in Ontario, when added to the base rate, would have been much higher. Certainly, the premiums here are much higher than they are in any of the western plans.

1530

The public anger on this issue is very real. The need for reform became very evident to me during the election campaign. It might not have been a big issue in the ridings of some of the new members, but it certainly was the number one issue and the number one priority in my riding. As I canvassed during the summer before the election started and then through the election, I heard again and again that parents, families and young drivers were being hit very unfairly by this system and they resented it. They do not understand why the premiums are as high as they are. They do not understand why, if they are young drivers, they are being penalized under this system. In my riding, that was very real and people were very much aware of the injustices of the present system under the private insurers.

I also ran into several proponents of the system during my campaigning. I too, in my own riding, was subjected to the leaflets the auto insurance industry put out concerning the western provinces; the comparisons. I was also quite amused to see the advertisements in the newspapers called, "In a pig's ear," which I am sure the industry must have spent quite a bit of money putting into newspapers. We saw it locally right through the entire campaign. I cannot imagine how much money was spent. We countered that a bit by taking the advertisement, pinning it up on the wall in our committee room and stating, "Your premiums are paying for this." People who were already angry about the system became even more angry when they saw the fight that was being waged on behalf of the private insurers against the New Democrats and against public auto insurance in this province.

I also met a very big proponent of the system in my campaigning in what happens to be a little more affluent area of my riding. One Friday evening when we had nothing better to do, we decided to go and canvass in that area just to make my presence known. We happened to run into Bob Price, who was with the Co-operators in Sudbury. He happened to be the top manager at the Co-operators in Sudbury and has subsequently moved to Barrie.

We had a very interesting discussion when I arrived at his doorstep. His wife was in quite a

panic to have me meet her husband, who apparently wanted very much to speak to me about this issue. We had a very friendly discussion about the whole issue, but I must say he did not convince me, nor I him.

His sense of the whole issue and of our stand on it was that the general public does not understand the complexity of auto insurance and does not understand the complexity of arriving at the types of premiums they must pay in order to cover the so-called costs the auto insurance industry says it must cover.

He went on at great length about all the kinds of mechanisms and complexities that are involved in trying to get at this high premium figure residents in Ontario are forced to pay. It ended that I said to him, "People might not understand the complexity or why it costs so much, but they certainly understand that they are being ripped off." That was very evident as I travelled about the riding and it is very evident even now in my riding. There are petitions on at two local high schools from young drivers who are being especially hard hit at this time. The issue is not dead in my riding and I do not think it is going to change even if and when this legislation is passed.

Let me talk a little bit about some of the injustices that are so very evident in the present system that is ruled by the private insurers in this province. This is what we compiled as a party after our tour in 1986 concerning the insurance system, in particular the auto insurance system, in this province. Let me go through them again. I am sure members have heard them already, but I will refresh their memories.

The number one problem seems to be the outrageous rates people are paying, in particular young drivers. It seems just absolutely incredible to me that when we compare the premiums being paid in western provinces with the premiums being paid here in Ontario the discrepancy is enormous. I cannot understand how it could be so wide and how we in Ontario must pay as high and as much as we must for auto insurance. It is outrageous and nothing has been done by the industry to explain why, how or where the money is going. That is the first major problem.

Second, the discrimination based on age is blatant. The system is based completely on the discrimination of young drivers, male drivers under the age of 25. They are penalizing an entire class for the bad driving of a small group within that, which is completely unfair and is probably against the Human Rights Code; in fact, I am sure it is.

Unfortunately, the auto insurance companies have not been able to explain adequately to the general public why the system must be based on this type of classification. We do not see a need for it. Certainly, discrimination continues in this system. It may well go away with the rate review board. That does not change the problem of having premiums set on drivers' records so it is drivers themselves who are responsible for their actions and themselves responsible for any increase in premiums.

Another injustice, of course, is the arbitrary cancellation of all types of insurance or the refusal to renew it. One of the constituents in my riding, who worked very hard for me in the campaign, bought her first car in early April. She had been covered under her parents' insurance up until that point. She wanted to get her own insurance. Her parents' company would not cover her as a new driver. She could not get coverage from three of the major companies operating in Sudbury which are giving out insurance. She ended up with a very small company which was able to insure her but at an exceptionally high price, much higher than the price I am paying.

An insurance company in this province has absolutely no right not to insure people. We have to have a licence and coverage to drive in this province. I do not know how the insurance companies then do not have the obligation to provide insurance for our drivers. It is absolutely unbelievable to me.

There are several other injustices. We have seen increases for frivolous reasons, for no apparent good reason; the auto insurance company coming in and automatically increasing for any number of reasons, from having tickets to parking violations, speeding tickets, etc. There is an enormous increase with absolutely no justification on the part of the private insurers to say why.

There has also been a penalizing of all members of a household for one driver's record. That has been almost as bad as the discrimination against the young drivers. It has become a normal practice that premiums have increased because of one driver, whichever driver in that household either has had an accident or for some reason his own rates have had to rise. That is a blatant act, and I think it is completely unreasonable that the company is allowed to penalize an entire household for the bad driving of one.

We have also seen, and this has been another major problem, that new drivers at any age are finding that the rates they have to pay in order to

drive are excessive. We have had cases of women over 40 and 45 years of age who are driving for the first time. We find that they cannot afford to get the coverage because the insurance premiums are as high as those in the category of males under 25. The discrimination in that regard is blatant as well.

I got all of this during the election campaign, because people are very much aware that the discrimination exists under this present policy. My friends, it will not go away. It will not change because of Bill 2, because there is very little in this bill that changes any of these injustices and takes them out of the system.

I want to look at what seem to be the two main components of Bill 2, which I want to reiterate merely tinkers with the present system and does not provide genuine reform for drivers in Ontario. What it means is that we will have a system that continues, which is unfair and which is a very high-priced system, much higher-priced than the driver-owned auto insurance systems that are being operated in the three western provinces.

We have a rate review board which will be established, and I want to make several comments about this board. They were also made by my colleague the member for Welland-Thorold, but they were so interesting that I want to point them out to this House again.

First, we have seen that in a question raised by the member for Welland-Thorold to the Minister of Financial Institutions in 1986, the member asked the minister if section 371 of the Insurance Act would be implemented to allow his ministry to hold or adjust rates that were excessive, discriminatory or unreasonable—

[Failure of sound system]

Hon. R. F. Nixon: Hey, hey, you've blown a fuse.

The Deputy Speaker: Order.

1540

Mr. Fleet: I wonder if you could repeat what you said—not that we want to hear the same things again, but perhaps new things.

Miss Martel: I could start from the beginning. Let me begin again.

In going back to the rate review board, about which the member for Welland-Thorold so adequately spoke in his own speech, I want to go back to the question he raised with the Minister of Financial Institutions in 1986, when he asked the then minister to enforce section 371 of the Insurance Act, which would give that ministry the power to hold or adjust rates that appeared to

be excessive. The minister at that time, in light of the growing crisis of insurance in Ontario, stated that provision has been on the books for more than 50 years and not one government has seen fit to implement it.

It seems to me that this government has presently seen fit to implement it, and I must wonder what occurred to cause the change of heart.

There is a second conclusion about this rate review board which should be mentioned, and it was mentioned by Mr. Slater, of course, who set up this wonderful commission to study the problem of auto insurance in Ontario. He recommended against a board and stated: "Rate regulation has been tried, in its various forms, in the United States with respect to insurance rates. The opinion is that the effects have been largely cosmetic, in that regulators allow deviations from established levels in rates that are, in effect, determined by competitive forces."

We have seen two opinions of this rate review board, both of them highly negative, one expressed by the former Minister of Financial Institutions; now we have the Liberals in the same breath presenting a bill which includes the rate review board.

I say we have come a long way when we have seen a complete turnaround from 1986 to 1987 on how we are going to deal with this crisis. We certainly have not gone anywhere to correct this situation, which would be to have public auto insurance, but we have now a cosmetic approach at trying to deal with a very unhealthy and discriminatory system in this province.

Second, I want to talk about the capping of rates, which seems to be the second major provision of this bill. The House knows this is actually enforcing legislation that had been set out April 23, 1987, when the former Minister of Financial Institutions announced there would be a capping of rates at that point in order to halt the spiralling rates of insurance. We were in a major crisis then; we continue to be in that crisis of insurance.

Unfortunately, what happened is that although he announced there would be a halt in rates, it did not occur in many parts of Ontario and, indeed, did not occur for many drivers. In our own constituency, we got letter after letter in June, July and August, as young drivers in particular began to renew their insurance and found that their prices had not been capped but their prices were increasing, and substantially in many cases.

A young gentleman who was a resident at McMaster University in Hamilton, and who lives

in my riding during the summer, was in the same boat and wrote to us. We wrote to the minister, who responded: "As you know, the necessary legislation is not in place to support our capping and rollback initiatives. You might wish to suggest that your constituent make inquiries of several agents and brokers to ensure that the best terms available are obtained for the coverage required."

There was absolutely no response in April to the serious problem of rates and excessive premiums. They were not capped in many cases but continued to rise. I know my own did as well, and I was not exceptionally pleased about that. I must say the problem with the present system is that it does not do anything to undermine the excessively high rates. Even if the rates were capped at their present levels, the levels are much too high to be paying for auto insurance in this province.

Under the legislation, the capping or the rate changes can occur in two ways. The first is that there will be an across-the-board adjustment in rates; and second, there will be a transitional increase which will have to be justified by the insurer to this new rate review board. That would have worked out not too badly, except that this has already been overruled by the minister himself when he stated the government would allow, effective January 1988, a 4.5 per cent increase from the April rates, which also were not capped in many cases.

The second major problem with the capping of rates, as I said and will say again, is that the premiums at this point are outrageous. They are excessive. There is no reason for them. We have seen no reason given by the ministry or by the private insurers as to why the rates are as high as they are. I must say that if we are only going to cap rates at their present levels, then it is certainly not a good omen for Ontario consumers because, if anything, they are going to continue to spiral. There will be no change in the present system, which is very discriminatory and certainly excessive.

I want to continue by saying that there are several defects in this bill which have not been addressed by the government, and I hope some of my other colleagues have picked up on these or will pick up on them when they speak.

Firstly, we have nothing in this bill which will specifically prohibit the classification system from being based on age, sex or marital status. The Treasurer has assured us that the premiums will not be set on this, the classification system will not be set on these types of issues, but we

have nothing in the bill that specifically prohibits that. In my sense, because there is not very much in this bill, at least that should be there to ensure that we do not return to a classification system based on those types of issues.

Secondly, we have nothing in this bill to ensure that entire households are not penalized by the record of one driver. We have a continuing problem in Ontario with this particular aspect. It was certainly an issue I heard again and again, about how an entire household was penalized by the driving record of one, and there is nothing in this bill that is going to prevent the private insurers from continuing on in this manner.

Thirdly, another major problem which I can foresee is that the mandate of the rate review board has not been specified. We have said it is going to regulate rates after fair hearings industry-wide, and people are going to be allowed to come forward and present their case, as are the insurers; but we have no further mandate. We have no idea, for example, if the board will be allowed to go in and change the classification system later on if it appears not to be working, or will that return to this quasi-agency that the government has set up at this point to study the issue? We have no idea where the responsibilities for any future changes in the classification system actually lie.

Fourthly, there is nothing in this bill which is going to stop the increasing numbers of drivers who are driving without insurance. There is no provision in here that ties the buying of insurance to the buying of licence plates, and indeed there is no provision that the increasingly high numbers of drivers on the road without insurance are in any way going to be stopped. There is no provision made in order to police that more effectively either.

Finally, there is nothing in the bill which also co-ordinates or attempts to co-ordinate some of the criteria used by the Facility Association. Across the industry at this point in time there are all kinds of definitions of who is a risk, why that particular individual is a risk and what price he will pay to be a risk. We see nothing in this bill to co-ordinate, industry-wide, who is going to be a risk and who is not.

My sense is that the bill is defective in many ways, but the real reason we cannot support this—and certainly I cannot support it—is that it does not provide for the measures to make it fair for Ontario drivers. The only measure that would be fair for Ontario drivers is a move to driver-owned auto insurance in this province. We are not going to get any change in the

discrimination. We might get a change in the discrimination, but certainly not a change in the excessive rates and the other arbitrary systems being used by the private companies now if we do not move to a driver-owned system in this province.

My colleagues have outlined on several occasions the benefits of that system. I will do it again for the benefit of the House. This system is fairer. The premiums are based on the driving record; they are not based on your class, your age, your sex or your marital status. They are based on how you drive, and so you assume responsibility for that driving and you pay for it. I certainly think that is much fairer. I cannot see why we cannot move to that system.

It is also more efficient than we have seen under the private systems in Ontario and in other provinces. First of all, the administration costs under the private system are higher, and we have had documentation of that. Secondly, the claims that are paid out as a percentage of total expenditures are much less in the private plans than they are in the public; that is to say, the percentage of money that goes out to a person who is making a claim is much higher under the public plan than it is under the private.

A third advantage is that any profits that are made under the public system are reinvested back into that province in terms of going back into municipalities, going through municipalities for hospitals and for the education system. We in Ontario are in the unfortunate situation that not only do we export our resources away; we export all of that excess revenue from the private insurers out of this country as well, at a tremendous cost to us. We are even unsure as to what that cost actually is. The profits, if any, that are seen under the public systems go back into either reducing those premiums or higher payouts to those claimants.

1550

Fourth, all drivers are insured. We have to have insurance in this province in order to drive, and yet insurers do not have to provide that. We have seen under the public plan that when plates are bought with insurance, everyone must be and is covered. That would certainly go a long way in this province, where we have increasing numbers who are driving without insurance because they cannot afford it.

Finally, the savings on premiums alone should be enough to convince this government that a move should be made to driver-owned auto insurance. My experience during the election—and I know my colleague the member for

Hamilton West (Mr. Allen) mentioned yesterday that he talked to a number of people who had moved to Ontario from the three western provinces, and I spoke to quite a few during my own campaign. Their sense, regardless of any of the problems that might have been brought up in the House yesterday by my colleagues from the other parties, was that there was no doubt that the premiums they were paying were much less than in Ontario and there was no doubt that they thought the public plans were certainly much more fair than the one they were experiencing here in Ontario. I got that again and again as well during that campaign.

Let me say in winding up that certainly in this House and in this province we have opponents of the driver-owned auto insurance system. But let me reiterate to this House that even in the west, when we had changes of government from the New Democrats to the other parties, there was no move by those parties to remove that system. Indeed, if we had seen it anywhere, we would have seen it in British Columbia when Bill Vander Zalm was elected, because there is no one more right wing than he, except for perhaps the member for Leeds-Grenville; I am not sure after yesterday. But certainly there was no move by him or by any of the Liberal governments that succeeded New Democrats in those provinces to make any change to the system.

Second, the private insurers in this province sure spent a bundle, both before and during the election campaign, to defeat New Democrats, to defeat this issue and to hope it would go away. I will say now, as I said during the election campaign, that for a group that is losing money and a system that is supposedly losing vast amounts of money, they sure had a heck of a lot of money to spend during the election campaign to fight to hang on to this system. They still continue to do that, so I have to wonder how badly beaten the auto insurance industry is when it can spend that kind of money to defeat public auto insurance in this province.

Let me say in summary that I will not be supporting Bill 2. The Tories will not be, but for many very different reasons from ours. It seems to me they are hoping to maintain the status quo in spite of the ripoff that is occurring in this province, particularly the ripoff of young drivers. We in this party believe that if the market is not working to benefit the people of Ontario, then something must change. Certainly, the price gouging under the present system has to end. Unlike the Liberals, who will support this bill,

the Conservatives continue to sit on the fence on this issue.

The reform here is not a genuine reform. It does not go nearly far enough to replace the present system with a system that is more cost-efficient and certainly a system that is more fair and benefits drivers in Ontario. I am proud that I will not be supporting this bill, and I thank the House for listening.

Mr. J. B. Nixon: I have just a couple of comments. During the election campaign, of course, I went out and about through my constituency and very rarely, I would say to my friend the member for Sudbury East (Miss Martel), was the question of auto insurance raised. When it was raised, the question was put more in the way of a demand, "Please, do not nationalize this industry, but for God's sake you have got to do something about the rates." Then, of course, I was quite pleased to be able to talk about the future of Bill 2.

Let me tell members something. I find it incredibly strange that the Leader of the Opposition (Mr. B. Rae) sits here laughing yet he ran an election campaign on the platform of, "I am there for the ordinary person; I am there for the working guy."

There are 12,000 people directly employed in the insurance industry and he is going to take their heads off and put them out of work. There are thousands of indirectly employed people, but he prefers to characterize them all as—what are the words?—"greedy pigs" or something like that. What is the member going to do about them, these ordinary working people? This is a big decision that has not been faced by the official opposition. I would ask them, what would they do about it?

Mr. Neumann: I will try again. I think the previous speaker makes a good point with regard to the working people involved. I know in my riding there were some people who had traditionally supported the New Democratic Party who had friends who worked for the insurance agencies and so on. They had some grave concerns about this policy and ended up working on my campaign—people who would normally perhaps be allies of the NDP, members of the Canadian Auto Workers and so on.

Interjections.

Mr. Neumann: I notice they are getting quite agitated; they do not like to hear the truth.

I will try my question again to the member who gave the speech, since I did not get an answer from the previous speaker from that party, and that is, with all of the research on the western

systems, whether or not they could indicate to the House the lost time due to work stoppages.

Mr. Swart: Perhaps my colleague would want to answer this, but is it not true that the independent brokers' association of British Columbia has voted over 70 per cent in favour of the public system and not having it changed?

Is it not also true that in both British Columbia and Manitoba they do in fact use the brokers for selling the public auto insurance and in Manitoba too they are in favour of it?

Is it not also true that an insurance industry itself would arbitrarily put something like 92 per cent of all the lawyers in Ontario who deal with auto insurance out of work by putting in their so-called smart no-fault insurance and leave it to the insurance companies to determine what people would get?

Are all of those things not true?

Of course from the comments they made, would it not also be true that if all of these people they talk about are going to be laid off, it must prove that it is a very, very efficient operation they have there and it would save an awful lot of money when they can reduce the numbers that are actually used to operate the systems?

Mr. Dietsch: I would like to compliment the member for Sudbury East. She does most definitely put her viewpoint forward in a most eloquent manner. I found it enjoyable to listen to.

I would like to remind the member for Sudbury East that we too went to a lot of doors during this campaign and talked to a lot of individuals. I found that many of the individuals in my particular riding shared many of the concerns that were shared through that particular member's riding as well. I feel the bill that is put forward will certainly address in many areas the concerns that are made.

I feel the member outlines that it is their ultimate goal, I suppose, to have government-run everything. I would assure the member that government-run practices are not necessarily the most efficient and most meaningful way to go in these particular areas. I think it was Will Rogers who once said, "The only thing we can thank God for is that we don't get as much government as what we pay for."

I think the members should enlighten themselves, in respect to dealing with these particular issues, that government-run insurance is not the way to go and what is being proposed here will address many of those concerns.

I compliment the speaker in putting forward those views and assure her that I too, representing many of those same types of individuals, will

put forward very forcefully those areas that I feel are important to those individuals as well.

1600

Miss Martel: I would like to respond to the comments that have been made by the member for York Mills. In talking about the nationalization of the industry, how many people were being thrown out of work, I reiterate what the member for Welland-Thorold said. I also want to add that we would probably be able to use some of the profits that are presently being exported out of this country to an excess we do not even know of. If they were put back into the system, some of those jobs that may—and I say “may”—be dislocated because of the move towards the public system can certainly be compensated in that regard. I would also reiterate that the people working in the private system are more than likely going to be able to move into the public system because we are going to have to have adjusters in that system and people working on files there as well.

Secondly, to the member for Brantford, I must admit I cannot answer his question on the work stoppage. I would state that perhaps my colleague from Welland-Thorold can answer that for him, because I do not know the response to that.

To the member for St. Catharines-Brock (Mr. Dietsch), I would like to thank him. His concerns in his riding are very much like my own. My sense is that across our entire basin, which represents three ridings, the concern on auto insurance is very prevalent. I thank him that at least in his riding he got the sense of that as well and was honest enough to admit it.

I must say that we on this side of the House are not saying everything should be run by the government and we never have said everything should be run by the government. He would like to point out that not everything is run well by the government. I would like to point out that it is his government that refuses to have even a comparative study done between the rates in this province and the rates in the western provinces to see if, in fact, the government is more efficient.

My sense is that they refuse to do that because they will find out quite quickly that, indeed, the system is more efficient and should be adopted here. I would also remind him that for someone who might not like government-run anything, I think we have all certainly benefited by the medicare system in this province, and I make no apologies for the movement we made in that regard either.

Mr. Hampton: It is with a great deal of pleasure that I am able to speak in this debate, because I have a unique circumstance in that my constituency is located exactly against the Manitoba border. In fact, most young people in my constituency, when they wish to further their secondary education, go to institutions in Winnipeg or in Brandon, since those institutions are only two or three hours' drive away.

So we quite often have the experience of young people, whether they are 17 or 18 years of age, or 21, 23, 24 or even older, moving to Manitoba to pursue their education, and it is not unusual at all that when they leave the community, whether that community be Fort Frances, Atikokan or Rainy River, they are very much aware of what they are paying for auto insurance in Ontario. They are very much aware that if it is their own vehicle and they are under 25 years of age, they are looking at rates of \$2,000, perhaps \$3,000, perhaps even higher, even when, in terms of their driving records, they are good drivers, have had no traffic offences and have had no accidents. But that is what the insurance companies deem to be fair in their treatment of many of these young drivers.

They are also unaware when they go to Manitoba, when they enrol at the University of Winnipeg, the University of Manitoba or Red River Community College, whatever the case might be, that their insurance in Manitoba is going to be quite a bit cheaper once they establish residency there.

So inevitably at Christmastime or at the end of the first year, they return home to the constituency and say to their parents, “Gee, mum and dad, you know, it's ridiculous. I was paying \$2,000 for my auto insurance here in Fort Frances. I can get better insurance in Winnipeg for \$475,” and in some cases even less.

That is one of the questions this government has to come to terms with. That is one of the incredible inadequacies in not conducting at least a comparative study between the private insurance plan and the public insurance plan, because those people who go away to university or to some form of post-secondary education in a province that has a public auto insurance plan experience this right away. They cannot understand how the government of Ontario can allow this incredibly expensive, discriminatory and unfair system to continue. They just do not understand how this government can allow that system to continue.

This is only one part of the situation, however. As well, because the northwestern part of this

province is primarily based on the extraction of resources from the ground or from the forest, inevitably people have to purchase insurance for their trucks, trailers or heavy equipment, and that insurance is very expensive indeed. In fact, it is not unusual to find someone who is transporting wood or cattle or is otherwise involved in some sort of haulage who is paying \$6,000, \$7,000 or \$8,000 a year for insurance for his truck and trailer.

Yet that same person, when he hauls to Winnipeg, Manitoba, and speaks to someone at the stockyards in St. Boniface or to someone who also is involved in the same sort of haulage in Manitoba, finds out that people in Manitoba are probably paying one half what the same kind of driver with the same kind of truck is paying in Ontario. They do not understand this crazy system either. They do not understand why the government has not at least had the courage to conduct a comparative study to find out why those differences are there.

We are not talking about wealthy people. We are talking in many cases about people who have to work 11 or 12 hours a day, six and seven days a week, to keep their rigs on the road, people who have to haul an inordinate number of miles from the bush to the paper mill and who do not make a lot of money, who might make \$20,000 in a year after all their investment and all their hard work. They see \$6,000 of it going to the insurance company. They begin to wonder, "Who am I working for; for myself and my family or for the benefit of the profits of the insurance company?"

These people do not understand this system and they cannot understand why the government refuses to even study the comparative possibilities between a public insurance plan and the private insurance plan we now have here in Ontario. That is the situation we encounter.

All the other inadequacies that have already been identified by my colleague the member for Sudbury East exist in my part of the province as well. Again, as I pointed out earlier, there is discrimination based on age. Again, there are exorbitant rates. Again, there is arbitrary cancellation or refusal to renew policies. There are increases for frivolous reasons, for silly things.

You have a husband and wife who each have a vehicle and the husband drives a beat-up old half-ton and the wife drives a car. Three years ago, the husband had an impaired driving charge. What happens? The wife is hit with an unjustifiable increase in her insurance because the insurance company says, "Your husband might some day drive your car." People do not

understand this and they do not understand how this government can allow this kind of situation to continue, penalizing all for one driver's record. That is the situation we are talking about with the husband and the wife.

New drivers are charged prohibitive premiums. Because we have communities along the border between Ontario and Manitoba, we often run into the situation where someone moves to Manitoba to go to school or to take a job. He is there for three or four years, returns and attempts to purchase insurance in Ontario and is told: "We have to treat you like a new driver. We do not have a record for you here in Ontario. You have been away for a while, so we have to treat you like a new driver. Your insurance is \$1,000 or \$1,500 more than someone else your age and driving the same kind of vehicle with the same kind of driving record." People do not understand how we can allow this kind of system to go on.

As for the bill the government has brought forward, as for Bill 2, as for what it will do, I have to say that it really is a sorry piece of legislation. At its very best, if the government follows through on its promise to cap rates—and in reading the bill it is apparent that it can waive the cap on rates—

1610

Mr. Swart: They already have.

Mr. Hampton: Yes, they already have.

If the province follows through on a promise to bring in a nondiscriminatory rate structure, it might be almost half good in that case. But the government is already—

Hon. R. F. Nixon: We can't allow that, Mel.

Mr. Hampton: I have not finished yet. We will get down to dissecting the rest in a minute.

The problem is, already in this one-month-old Legislature, the government is setting a record for not living up to its promises. Promises on education, "Well, we will forget about those." Promises on free trade, "Well, there is no more bottom line, it disappeared." Promises on labour law reform—that has disappeared too. Finally, promises on capping the rates on insurance—that had to disappear too.

The public is left wondering. We have this shell of legislation, but before it can become in any way effective we have to have a bunch more promises. I am very much afraid that the consumers of this province, the drivers of this province, the public in general is not going to see those promises lived up to, that they are going to

vaguely disappear or somehow get lost over the next four-year shuffle.

Mr. D. R. Cooke: What about the promise not to nationalize insurance?

Mr. Mackenzie: That's the only one they're living up to.

Mr. Hampton: We will go on to the promise not to nationalize. It is very clear whom the member is speaking for. The consumers of the province do not matter, but their promise to the industry, their promise to the insurance companies, they are quite prepared to live up to that. That took no problem at all; but as for the drivers and capping the rates, as for the nondiscriminatory rate system: "Ha. We are elected; get rid of it. Forget about it." That is clear, we understand that much, and the public is going to understand it too.

The most interesting part of this bill, though, is that, as it stands and as it presents itself as a piece of legislation, it will do nothing more at this stage than entrench the already unfair, expensive, discriminatory and unjustified system that we have now. It will do nothing more than that. It will entrench it, and perhaps the government will even try to use the bill to justify the system that we have now.

When I read the bill, I am left saying: "This is very empty. It sets up a rate review board and that is it." It does not give a structure by which the rates are to be reviewed; it does not cap rates in a way that cannot be waived or set aside; it simply sets up another institution.

We have already had experience that has been played out back and forth in this House in the last month as to the success of the government's rent review board and the efficient way in which it is operating and the way it deals with unfortunate consumers in the rental industry in terms of finding housing. If this kind of rate review board is going to operate in the same way it is going to be quite unsatisfactory.

I think, quite frankly, the minister knows this. The member for Welland-Thorold has recounted the number of times the government has switched back and forth on this issue of the rate review board over the last two years. I noted that while the member for Welland-Thorold was doing this, the minister did nod his head on more than one occasion.

It seems to me that even if we give the government the benefit of the doubt on this bill, on this piece of legislation, and it caps rates and brings in a rate review board and we get nondiscriminatory classifications, even then the unfair system is going to be there because, as has

been shown in 1978 with the Woods Gordon report and as has been shown again when Manitoba looked at the comparisons of operating costs between their plan and Ontario private insurance plans, it costs more. The private insurance companies in Ontario have much higher operating costs than do the public plans. That is going to result in higher rates.

But even more, in Ontario we are going to continue the system whereby private insurance companies are going to make very healthy profits at the expense of the consumer. That is going to add to the cost. When you do away with all of the conflicting information, the point you are left with is simply this: in Ontario, when the insurance companies make profits, and they make profits, none of those profits go back to the consumers; under the public insurance plans, when the plan makes a profit, the profit goes back into the plan and is used to lower rates.

Even at its best, even if the government does follow through on all of its promises, what we are going to be left with is a system that still guarantees that people in Ontario are going to pay more in rates than they do under the public auto insurance plans. I think the government has to answer for that.

I would be remiss if I did not deal with some of the broader arguments and some of the issues that the insurance industry has tried to bring up and that the government members of the House have been only too happy to copy and to promote.

First, the auto insurance companies have said that the employees who now work in auto insurance companies in Ontario will lose jobs. I want to point out the history of the situation in Manitoba, because living where I live most of our media comes from Manitoba. I remember very clearly what occurred in Manitoba when the then Attorney General of that province, Howard Pawley, brought in the Manitoba Public Insurance Corporation Act. The insurance companies said at the time: "This is going to be a disaster. You are all going to lose your jobs." They gave everyone two days off work and sent them down to the Legislature to say, "You are taking away our jobs." There was a massive hysterical protest promoted by the insurance industry.

The interesting thing is that a short year and a half after that legislation was introduced, there were no layoffs in the auto insurance companies in Manitoba. Yes, some employees left companies like Wawanesa Mutual Insurance and went to work for Autopac. That is true, but there was no horrendous loss of jobs.

Mr. J. B. Nixon: How do you explain the fact that Manitoba has a zero population growth?

Mr. Hampton: The member for York Mills somehow wants to talk about population growth. Obviously he reads Darwin and other authors such as that and thinks it has something to do with auto insurance. I wonder if that is what he was talking about to citizens in his riding.

The history in Manitoba is that independent brokers continue to sell auto insurance in Manitoba. Independent brokers in Manitoba cannot only sell Autopac, but can sell private insurance as well. In fact, they will tell you, "Yes, I sell Autopac; I sell Royal insurance; I sell Zurich insurance." The fact of the matter is, though, that nobody ever wants other those kinds of insurance. They are too expensive. They cannot match Autopac's rates.

There is no government monopoly in the sense that a broker, the person who serves the public, is told, "You can sell this insurance and this insurance only." There is still a free market, in that, once you have bought your basic policy and want to buy additional insurance you can buy it from Autopac, you can buy it from a private insurance company and you can buy both through the same broker.

There has been no great decrease in jobs in Manitoba. In fact, in 1978, after the Lyon government was re-elected—and for those members who are not familiar with the political history of Manitoba I will explain that—

1620

Hon. R. F. Nixon: Fine name. He is a judge now; be careful.

Mr. Hampton: Yes, I realize he is a judge now; I realize that.

Mr. Lyon, when he was the Premier of Manitoba, easily fit into the camp of Mr. Vander Zalm and probably Mr. Reagan in the sense that he thought everything that was public should be sold back to the private sector. He actually had a plan to sell Autopac back to the private sector. He brought in some consultants from the private insurance companies and they prepared a plan and took it to the auto insurance brokers and said, "What do you think of our plan?"

The interesting thing is, the auto insurance brokers said: "Hey, look, we don't want to go back to the old days. We like this system. It works well, it's efficient, there's less paper work, we get paid on time and it's an efficient system."

That was the answer that was given to the insurance industry and to the insurance industry's government when they proposed to repriv-

atize public auto insurance in Manitoba. The Premier of the day, Mr. Lyon, realized that he had no support even in his own camp for what he was proposing to do, so he backed off.

It is interesting. If you go a little bit further west, in Saskatchewan you had public auto insurance introduced by the Tommy Douglas government and then you had medicare introduced by the Douglas government. Immediately after the Douglas government, you had a Liberal government under Ross Thatcher. Thatcher actually went to work on cutting back on medicare. He actually went to work on cutting up medicare piecemeal, but he did not touch auto insurance. So even Liberal governments that have followed New Democrat governments have simply admitted, "Yes, it works; it's efficient, it's fair and it's less costly."

Why will this government not at least do a comparative study between the benefits of the private insurance system and a public auto insurance system? People still wonder why the minister will not undertake that study.

Finally, I know that some members on the opposite side of the House and some members from the opposition have jumped on the fact that even public auto insurance companies at some point raise rates. They have jumped on that and said, "Aha, here they've raised the rates so it must be an inefficient system."

I want to just review basically what has happened in Manitoba. Over six years, the rates in British Columbia have risen by 35 per cent. The result is that the average auto insurance rate in that province is about \$482. In Manitoba insurance rates have risen by 37 per cent over six years, with the result that the average rate is about \$405. In Ontario insurance rates have risen by more than 70 per cent in the last six years. As we all know, people in Ontario are paying, as a result, much higher rates for their auto insurance.

We cannot support this bill because this bill fundamentally does not deal with the problems that are out there. It does not deal with the issues that are bothering the public in terms of: "Why do I have to pay so much for my insurance? What is the justification? What is the justification when I'm 24 years old and I've never had an accident, never had a speeding ticket. Why am I paying \$2,000 for auto insurance when someone living 90 miles away in Manitoba is paying \$400 and someone in Saskatchewan may be even paying less and someone in British Columbia paying less again?"

It does not deal with those fundamental issues of excessive cost, of unfairness, of discrimina-

tion, of so many of the things that this government said it was going to deal with during the election: "Oh, yes, we have a proposal to set up a fair auto insurance system. We have a proposal to keep the rates down. We have a proposal to deal with the problem."

Well, this bill does not do it at all, and for this reason we will vote against this bill. We will criticize it here and in committee until the minister decides finally to make the amendments that will at least result in some semblance of fairness to the consumers and the drivers of this province.

Mr. J. B. Nixon: I have just a small comment. Like my friend the member for Rainy River (Mr. Hampton), who conducted his own unscientific survey of the difference between rates in Rainy River, Kenora and Winnipeg, I, too, conducted my own nonscientific, anecdotal survey and asked my parents, who live in Winnipeg, what they pay for automobile insurance. Both my parents and I have \$1-million coverage. We all drive American cars and they are several years old. I pay \$540 in Toronto, my mother pays \$550 and my father pays \$600.

So I found that quite odd, but I just throw that out in the midst of this argument as some more anecdotal evidence that proves really nothing, does not further the debate but might help confuse the issue and prevent us from getting on with the rate review bill, which is what is before us.

Mr. Runciman: I just want to make an observation in respect to the member's references to the government being in bed with the industry. I guess there is no question that the industry representatives I have heard about—the Insurance Bureau of Canada and, I guess, the brokers' association—have endorsed Bill 2. I have indicated in my comments yesterday that I think they are making a serious error because they are not looking down the road in respect to what is going to happen to the private sector in this province as a direct result of this bill.

I think the industry should be concerned. I know that the leader of the official opposition has made reference to the 4.5 per cent increase that the Treasurer has announced in violation of the promise to hold the line. But I think the industry should be concerned because some of those insurers increased their rates only a few months ago and others have not had an increase since 1986. Here we have this minister tarring them all with the same brush, treating them equally. Some deserve an increase; some are less deserving of an increase. He is doing this in a situation

of unprecedented government revenues and a significant majority government. He is treating them in the manner he is treating them now, and I think it is a cause for concern in the industry. I think this bill should be a cause for concern within the private sector across this province.

Mr. Hampton: I want very much to respond to the member for York Mills. I cannot, of course, comment upon what his parents may or may not pay for auto insurance, but I want to make clear to the member that my figures are not figures I pulled out of the air; nor, indeed, are they figures that are primarily based upon individual experience.

My figures are, first of all, figures provided by Autopac in its survey. Secondly, they are figures which the Saskatchewan government—a government which, again, wants to privatize almost everything it can get its hands on—refers to and agrees that they are accurate. Thirdly, they are figures which have appeared in both the Winnipeg Free Press and the Winnipeg Sun. I merely checked those figures out. I have telephoned various people to see if what I had read in the paper and what I had received from Saskatchewan and Manitoba was basically accurate, and I found out it was accurate.

Now, I do not know, again, how the member for York Mills came by his unscientific study.

Hon. R. F. Nixon: His mother wrote him from Winnipeg.

Mr. Hampton: Yes.

Mr. Pelissero: Very nice lady.

1630

Mr. Hampton: I really cannot comment on the member's private experience. If he wants to introduce and examine those figures provided by Saskatchewan Government Insurance or by Autopac, and if as the assistant to the minister he wants to persuade the minister to conduct a comparative analysis as to the benefits of the public auto insurance plan as opposed to the private system we have here in Ontario, I would be very happy to work with him on that.

The Acting Speaker (Miss Roberts): The member's time is up. Does any other honourable member wish to participate in the debate? The member for Hamilton East.

Mr. Mackenzie: My comments will be very brief. I am not going to rehash the benefits or lack of benefits in the bill itself. I simply want to say that it took only about 30 seconds—that is about how long I figured it would take listening to the member for Leeds-Grenville—to know that I would have the basis for my comments when I

got up on my feet. He said first off, in referring to my party, that auto insurance was rejected by the voters. I do not know how he can say that. I want to cover that for just a moment or two.

He then followed that up by criticizing the government for going down this socialist path. If anything is ridiculous, it is the idea of this government going down a socialist path with this piece of legislation. I think the weakness of the Liberal government's position is its refusal for many months in this House to accept the argument of my colleague the member for Welland-Thorold that, "If you don't agree with us, do a comparative study that includes the western provinces that have the plan."

An hon. member: An independent study.

Mr. Mackenzie: Yes, independent. I do not know how the government can justify its position in refusing to do that comparative study. Without that comparative study, their arguments just do not hold weight and indicate a real defensiveness. I do not think it is because they are afraid of the results. I think the results will be exactly as we have stated in this House, that they will find it is cheaper, better and more complete coverage. The real problem is that it might not put the government in the good books of its friends in the auto insurance industry. They do not want to be put in the position where they have some reason not to buy the alliance they have obviously worked out with the private auto insurance industry. I think that is really the crux of the problems of my colleague the member for Leeds-Grenville. They are losing; they used to be in the hip pocket of the insurance industry and do not like the fact that the Liberals have now taken that position over in the deal.

In my riding we had a head-to-head battle with the Liberal and it is one of the few areas—all four of the downtown Hamilton ridings—where the swing really did not hold. Our vote is almost 46 per cent to their 40 in those four ridings. Auto insurance was the major issue. The second issue was the plant closure stuff that was hitting our city pretty hard.

We faced those issues head on, and nowhere did the insurance industry go after us more than it did in the Hamilton riding. The pig ads, or whatever you want to call them, the door-to-door leaflets and the National Citizens' Coalition doing a nasty little letter taking on some of us in our particular area did not work because we faced them down. We took those issues on and we made them issues.

If I had people saying anything to me at the doors consistently—and I am not talking of tens or

twenties; I am talking literally of hundreds because I visit an awful lot of doors in the course of an election campaign in my riding—they were saying: "Are we going to get an auto insurance bill? Are we going to get a driver-owned or a public plan?" I kept saying, "I hope so but I have to tell you it really depends on the numbers in the next election."

Their next point was: "Surely this government is committed to some form of auto insurance and we will get at least something from them. Surely it will support you or you can convince it to make the move towards a public auto insurance plan in some form." I tried to warn them but they really thought that this was one of the must pieces of legislation in Ontario and that they would achieve it. That is what the voters were voting for to a large extent in our ridings.

The opposition, which was led so strongly by the Tory party—the Tory candidate in my riding went around door to door criticizing auto insurance—for the first time in history was behind even the Communist candidate in a few of the polls in my riding. So I would not say there was a rejection by the voters of this issue. If anything, I think the people do expect and do want a better bill than what we have here which does not meet our needs. We are not going to be doing justice to drivers in Ontario without a proper auto insurance plan.

I have to finalize my remarks by wondering, why is it on every issue that has some real meaning, some real benefits to people—whether it was the health insurance issue in earlier days, the pension issue, various labour bills and now this bill—we have to drag governments in this province kicking and screaming into the 20th century when it comes to decent legislation that will really have an effect that benefits people in Ontario? I just cannot understand the holdback by this current government and the reason it would come in with such an inadequate bill.

The Acting Speaker: Are there any members who wish to comment or ask questions?

Mr. Runciman: I just want to compliment the member on his brevity. I did not realize a socialist could be that concise. It is quite surprising.

Mr. J. B. Nixon: I will try to be brief, but in direct answer to the questions raised by the member for Hamilton East, I would like to make the point that I have made before in the Legislature in commenting on the speech of the member for Welland-Thorold. The member for Hamilton East asked quite clearly why we would not commission a study. I have pointed out that

Dr. Slater studied the delivery systems of the three western provinces and he clearly recommended that the government of Ontario not choose public auto insurance as the means of delivery. Again, I point out that Mr. Justice Coulter Osborne is looking at the western provinces. We do not know what he will say, but Dr. Slater did report, did study it and said no.

Mr. Morin-Strom: Obviously, the government is dumbfounded in terms of countering the arguments from the official opposition party on this issue. In particular, the member for York Mills (Mr. J. B. Nixon), if he was sincere in terms of presenting some information, would in fact table the studies which document the comparison in rates between Ontario and the western provinces. As he well knows, those studies have never taken place in this province and he does not have them. He has never asked either of the two task forces that they have commissioned to do those studies, and no one within the ministries responsible for this issue has conducted the studies that should have been done to prove which plans provide better and lower-cost plans for the drivers of those respective provinces.

All the evidence we have gathered convinces us that the rates are far lower in those western provinces than they are here. No evidence of any tangible nature has ever been presented by this Liberal government to refute that charge. Until it does so, it has no credibility on this issue whatsoever.

The Acting Speaker: Does the member for Hamilton East (Mr. Mackenzie) wish to have a few minutes to reply? If not, does any other member wish to participate in the debate?

Mr. B. Rae: I take great pleasure in wrapping up the debate for our side. First of all, I want to say a few words about the contributions of the member for Welland-Thorold.

When I came to this place, I had naturally heard of the reputation of the member for Welland-Thorold. I can only tell members that in my life in politics I have met literally no other person who has so well represented his riding, his constituency, no member who has better represented the consumers and the working families of this province or indeed of Canada, and no member in my judgement who has done more to make this question of fairness in insurance a province-wide issue, an issue of conscience in the province. As leader of our caucus and leader of our group here in the Legislature, I want to say to the member for Welland-Thorold how very, very proud I am of the contribution he has made

to this debate, as indeed he has throughout the provincial debate.

1640

I have listened, obviously, with care to the debate as it has unfolded, not simply over this last session but over many months and indeed many years. I have participated in a number of debates on this issue and obviously have just come out of an election campaign which has been interpreted by many as the ultimate referendum on this question.

I do not mind saying that I have read with some degree of interest a publication called *Canadian Insurance*, a Stone and Cox publication, which has a picture of a gloating pig on the cover entitled, "Hog Wash, We Won One." As I understand it, it is the publication which incorporates the agent and broker in Canada. It is basically a publication of the Insurance Brokers Association of Ontario and it contains some interesting comments with respect to the recent election on this issue, which I think throw some light on where we are and where we are going as a province.

It is interesting, for example, that at a recent meeting of the Insurance Brokers Association of Ontario and indeed in an article in this journal, on page 20, John Watkinson, who is the vice-president of communications for the Insurance Bureau of Canada, sets out very clearly for the public precisely what the strategy of the insurance industry was.

I want to say to the government that it should be congratulated for having fitted as nicely as it has into this strategy which has been set for it by the insurance industry. I can think of no better messengers for the insurance industry than the individuals who have stood up and spoken on behalf of the Liberal Party in this debate. Indeed, the questions that have been raised in comments made to various members reflect almost word for word the briefing notes from the insurance industry that many of us encountered during the election campaign. There is a certain reminiscent ring.

For example, the member for Brantford (Mr. Neumann), whose own political history would fill many an interesting book, has raised his concerns as to whether the right to strike has been exercised in any jurisdiction with respect to where public auto insurance is in place, knowing full well that there was a labour dispute in British Columbia.

I would have thought the member for Brantford's commitment to the cause of working people would have been such that he might have

recognized that in that industry and the service industries in this province, collective bargaining is an idea whose time has come. I would be interested to hear his views. Is he saying that people who work in the service sector should not have the right to strike, should not have the right to organize, should not have the right to bargain collectively? His record with respect to municipal strikes is something we might want to discuss in this House from time to time. He is one who, having crossed the road politically, has not only abandoned his party labels but now appears also to have abandoned the principles he at one time espoused with considerable vigour, if I remember some meetings we both attended when we were members of the same political party.

I think it is worth pointing out the sense of smugness and gloating which has now taken over the insurance industry as it realizes just how much its interests have been and are being protected by the Liberal Party of Ontario. Let us look over the campaign because during the election campaign I said on many occasions that the insurance industry was engaged in a systematic attempt to distort the message of the New Democratic Party, to distort the impact of public auto insurance, to discredit those who were in favour of public auto insurance, to discredit those who believe in a driver-owned plan, to discredit those who were prepared to come forward and tell their story and to attempt to intimidate its own employees when they wanted to get involved in election campaigns. Now we have an admission from the industry that this is exactly what was going on.

I am quoting Mr. Watkinson. It is going to be a rather long quotation, Madam Speaker, but I hope you will allow me to read it through: "In the spring of 1987, the Insurance Bureau of Canada began working with the various groups in IPAC"—IPAC is the Insurance Political Action Committee—"to set up a network of industry people with a riding captain in every riding in Ontario and eight regional chairmen."

They never publicized this. They never told anybody they were doing it until we managed to expose it during the election campaign, and this is the admission. I do not know, Madam Speaker, if you are aware of who the regional industry captain was in your constituency. The member for Guelph (Mr. Ferraro) is shaking his head. They did not need a captain in his riding. He was the captain. They did not need to have anybody else there. Why would one need to have a captain? He was a colonel. He was a general. He was a field marshal in that campaign. They

did not need a mere captain appointed by the insurance industry. Why do that?

Perhaps I can go back to the quotation. "The riding captains were carefully picked industry volunteers, who could play an effective high profile role. Their task was to monitor election activity in the riding, to supply information to help candidates who supported a private enterprise system and act as an industry advocate when required. Other volunteers"—what a marvellous phrase—"from all segments of the industry played an active role in the election. This included canvassing, distributing campaign literature and participating in all-candidate meetings."

Having attended a couple of all-candidate meetings in my constituency, I can vouch for the fact that the insurance industry was well-represented. They all had their free enterprise buttons on one lapel and in my riding they had their red buttons on the other lapel. They knew that if they were going to defeat the New Democratic Party candidate, they had to get behind the candidate they thought was most likely to win. In my instance, of course, I was running against a Liberal.

Mr. Runciman: They came close.

Mr. B. Rae: They came very close, as the member for Leeds-Grenville has said. He and I do not share many things but one thing we do share is a knuckle-gripping election night, which we both shared.

"Many volunteers also participated in a speaker's bureau, telling the industry's story to audiences throughout the province. Media training was provided to help industry spokesmen work effectively with reporters." I wonder; I think reporters would be interested to know that the insurance industry is engaged in this kind of systematic campaign. "Other industry initiatives, including briefing the Liberal and Conservative caucuses at Queen's Park"—I would have thought the caucuses might have wanted to make very clear that they had just been briefed by the Insurance Bureau of Canada, had just been briefed by IPAC; I think that is an interesting point; we were not briefed by these groups, so this is all news to me—"meeting with the editorial boards of newspapers in Toronto, Ottawa, Hamilton and London."

"In addition, IBC prepared a videotaped presentation for companies to show to their employees. The video explained what was at stake for the industry in the election and urged company employees to get involved with whichever party they chose to support." That is a code

word, "whichever party," meaning either the Liberals or the Conservatives would be the party they could support.

They then talked about their two-phase advertising program. They talked about the development of their own alternative campaign to the New Democratic Party's campaign and then they talked about something very interesting, a dispute which broke out between the Insurance Bureau of Canada, which represents the insurance companies, and the insurance brokers. The insurance brokers ran the so-called "hogwash" campaign. I am sure members saw the picture of a pig in some regional newspapers. They did not feature ads in the Toronto newspapers, but they did advertise locally in many other parts of the province—in Hamilton, London, Windsor and many parts of the province. There was the "Pigs can fly" campaign and so on.

The insurance brokers wanted to continue to play what I would describe as a slightly more hardball approach, going directly after the New Democratic Party, attacking the campaign we had put on for over a year, very directly and so forth. The Insurance Bureau of Canada said: "No, that is not the way to do it. Do not let the NDP get to you with a response. The best way to do it is to cool it." Mr. Watkinson talks about the fact that it was discussed directly with both the Liberal and Conservative parties, the fact that the insurance bureau did not want to make this an issue and the Liberal and Conservative parties apparently agreed, according to Mr. Watkinson, as I understand the article he has put out here.

"A decision was taken in the latter days of the campaign that because the Liberals were doing sufficiently well in the polls, there was no need for the insurance bureau to come on strong with a second phase of the campaign across the province. A much better and more subtle way to do it would be to continue to volunteer at the local level, attempt to knock off the New Democratic Party candidates at that level and get behind the Liberal Party candidate, in most instances, who would be the candidate who was closest to the New Democrat in individual ridings."

1650

Finally, it says: "In retrospect, it seems to have been the right decision to give widespread publicity to industry views and proposals prior to the election campaign and to draw back during the campaign's latter stages, except in certain ridings." Would it not be interesting to know just what those ridings were and how those decisions were taken?

I do not think it is any secret—I have been criticized for saying it, because it is apparently something one is not supposed to say—but all of us felt—I certainly felt, I think a number of other members felt and some people who are not here, because they were defeated by the Liberals by a couple of hundred votes, felt—that what was going on was an on-the-ground campaign that was obviously fuelled and helped substantially by the presence of the insurance bureau on the ground.

It goes on to say: "Furthermore, the excellent work of the riding captains in briefing candidates and questioning NDP claims at public meetings helped significantly to keep the issue in perspective at the riding level and forged valuable links with the MPPs who were elected on September 10."

I do not think they are talking about links with our party and I do not think, judging from the comments of the member for Leeds-Grenville, they are necessarily talking about members of the Conservative Party, who have at the very least maintained the true faith in free enterprise, for which one can only attribute a certain degree of respect and admiration in this context. They are obviously talking about the valuable links that have been forged with the Liberal Party of Ontario.

I think it is worth just emphasizing that these words are not mine. These are the words of the insurance-industry people themselves, talking directly about a campaign which they themselves ran. It is interesting to note that in the same conference, which took place just a short month and a half ago, I understand Orland French was present at the conference and gave a speech to the industry, and a copy of his speech is contained in this report. If any other members would like to have a look at Mr. French's views, they are quite interesting.

It goes on to say: "Mr. Watkinson's position was supported by Ken Kelly of Zurich Insurance, who was also on the program representing the Insurance Bureau of Canada. In reviewing the IBC's record during the recent election, he specifically alluded to an arrangement"—now, these are his words, not my words—"which the industry had undertaken with both the Conservatives and the Liberals whereby auto insurance would not be an issue initiated by the industry. 'We would do our utmost to contain the topic and equip the free enterprise candidates to respond to the questions presented to them on the campaign trail,' he said."

Those are the words which are directly attributed to Ken Kelley of the Zurich Insurance Co., who was representing the Insurance Bureau of Canada.

I will just repeat them, Mr. Speaker, because I think it is important that you hear it again, knowing, as I do, your interest in getting to the bottom of this: "In reviewing the IBC's record during the recent election, he specifically alluded to an arrangement which the industry had undertaken with both the Conservatives and the Liberals whereby auto insurance would not be an issue initiated by the industry."

I find it interesting that the insurance industry is saying very directly that it arranged, together with the Liberal and Conservative parties, to refuse, in a sense, to respond directly to the insurance campaign but to relate to it directly at the riding level, where it would be harder to detect. So the links were established—

Hon. R. F. Nixon: It doesn't make sense.

Mr. B. Rae: That is what they are saying.

Hon. R. F. Nixon: What about the pig ads?

Mr. B. Rae: No, no. That is where I am saying there essentially was a dispute.

Hon. R. F. Nixon: That is crap.

Mr. B. Rae: The Treasurer has been here listening. He will have his chance. He said that what I am saying is crap. What I am saying is quoting from the insurance industry.

Mr. J. B. Nixon: He did not say that.

Hon. R. F. Nixon: Crap.

Mr. B. Rae: Yes, he did. The Treasurer would not say anything in the House he was ashamed of having repeated. He said that what I said was crap.

Hon. R. F. Nixon: "Camp," I thought the word was. I think it was "fuddle-duddle."

Mr. B. Rae: No, he did not say "fuddle-duddle," he said "crap." What I am quoting from is not crap; it is hogwash. The hogwash is put out by the Insurance Brokers Association of Ontario. All I am doing is quoting from this publication. That is just of interest.

Hon. R. F. Nixon: I have it in full colour.

Mr. B. Rae: The Treasurer has it in full colour. Obviously, they send him a personal version. I do not get those. The Treasurer has his own copy.

Mr. Mackenzie: He probably has an autographed one.

Mr. B. Rae: He has the pig's trotter right on the cover.

What I want to say is that this bill has a long history and it goes back a considerable time. I am not surprised the member for York Mills would be getting up. There is a question of parentage here. He obviously feels partly responsible, having been the minister's executive assistant during the previous government. He obviously feels a sense of parentage in dealing with this question and the particular measure that has been taken. I am not surprised he would be responding as defensively as he has to any criticism of the issue, to any issue that is raised by us. I am not surprised he is taking that role upon himself.

I want to talk briefly about the Liberal Party's solution to the problem we encountered, particularly in 1985 and 1986, which continues to trouble a great many drivers in 1987, though I think it is fair to say that this year, since the rates have not risen at the speed with which they rose in 1985 and 1986, there is a certain process of anaesthetization that takes place. After he has been hit with several years of very substantial increases and his broker tells him, "Your increase this year is not going to be quite as great," the average consumer feels a sense of almost perverse gratitude to the industry for not having hit him over the head yet one more time.

I do not think we should take from this that the issue has in any sense gone away. The member for York Mills says it was not an issue in his riding. I can only assume he represents one of the few ridings in which there are more insurance brokers than drivers. I do not know. I cannot account for it.

I think it is fair to say that most of us in the last two and a half years have been obviously affected by this issue. I say to the member for York Mills that obviously his own colleagues felt it was an issue; otherwise they would not have asked Dr. Slater to do his report. They would not have asked Judge Coulter Osborne to do his report and they would not have come up with a rate review board with all the fanfare with which it was associated if they did not think it was an issue that was going to cause them some kind of political trouble.

Mr. Runciman: The member is forgetting minority government.

Mr. B. Rae: The member for Leeds-Grenville, for whom I have an ever-increasing affection, I must say, as he participates in the House, is quite right in saying that I forgot to mention minority government. Obviously, that is one of the factors that affected the government's determination to try to put an issue to bed.

I want to talk directly about what the Liberal Party's solution is, because it is a very expensive solution and it is an interesting solution. It is a classic Liberal solution. It is one in which the government says, "On the one hand, we are going to freeze or cap," and then it says, "We will give them 4.5 per cent. We did not keep our word, but what is the big deal? It is just 4.5 per cent. Anyway, we have a majority and everybody will forget about that in a few years." So they get away with that in 1988.

I just want to go back to the issues we raised last spring when the government first brought in this measure. I do not think the public is in any sense prepared for what is coming with this particular piece of legislation. I remind honourable members that what the insurance industry has been telling us for a long time is that it is not making money in the auto insurance business. I have no idea whether that is true or not.

I have before me a publication that was just very kindly handed to me by the member for Cochrane South (Mr. Pope). I appreciate very much his help and participation in the House. It is a publication called Insurance Update. The cover is a little letter that thanks the Treasurer for the 4.5 per cent and says how deeply appreciative the industry is of what he has done on its behalf.

1700

Hon. R. F. Nixon: Are you paraphrasing?

Mr. B. Rae: I am paraphrasing here.

It says: "The insurance industry welcomes the Honourable Robert Nixon's December 2 announcement authorizing increases up to 4.5 per cent."

Hon. R. F. Nixon: Read the part where it says it is inadequate.

Mr. B. Rae: "It will provide some measure of relief, albeit inadequate, for many insurers, some of whom have not increased rates since 1986."

Is the Treasurer suggesting by his heckling that this is some kind of hard-hitting attack on the Liberal Party for what it has done? I am prepared to quote the entire record. If the Treasurer wants quotes here, my other favourite quote is the determination of the insurance industry to go soft on the Liberal Party. One of the spokesmen for the insurance industry said, "The reason that we went soft is because we didn't take any action that could be interpreted as being critical of the Liberal government, the people with whom we were going to have to sit down and make a deal after the election." If you want quotes, pal, you have them all here. They are all here.

Hon. R. F. Nixon: Do you remember when you sat down with us and made a deal?

Mr. B. Rae: I do, and you were much kinder—

Hon. R. F. Nixon: Where was insurance then?

Mr. B. Rae: The Treasurer asks, do I remember when we made a deal. I certainly do remember when we made a deal. The one thing I do remember is that he did not say anything about my having a tight halo. He did not call me a twerp. He did not say all the—

Hon. R. F. Nixon: Because I was meeting with Breagh, not you. That guy's reasonable.

Mr. B. Rae: Not at all. No, no. The Treasurer says he was meeting with the member for Oshawa (Mr. Breagh). Of course he was, but the Treasurer had many opportunities to say nasty things about me and he did not for two and a half years. He could not be kind enough. Then the first opportunity he has to get up for a reply to the speech from the throne, he says I am sensitive about being born in a log embassy.

I want to say for the record, I invented that line and the Treasurer stole it from me. How could I possibly be sensitive about it? I do not mind.

Hon. R. F. Nixon: Why have you been in a snit ever since?

Mr. B. Rae: I have never been cheerier than being as close—

Hon. R. F. Nixon: I think Breagh is right and you should look at job prospects.

Mr. B. Rae: I have never been cheerier.

Mr. R. F. Nixon: Would you like to be chairman of the rate review board?

Mr. B. Rae: The Treasurer says, would I like to be chairman of the rate review board. No, because I have better things to do with my time than sit there with a rubber stamp and do the insurance industry's bidding, which is precisely what this rate review board is going to be doing.

Interjections.

Hon. R. F. Nixon: You are too cynical in your old age.

Mr. B. Rae: I am neither cynical nor particularly old. I am a happy fellow who is encountering a government which is now mired in its own complacency. I remember when the member for Brant-Haldimand (Mr. R. F. Nixon) was a radical presence in this House, that is how far back I go.

As I was saying before I got diverted, the insurance industry has told us that it is losing a ton of money. In fact, I think the figure they used—the member for York Mills would be

familiar with this—was that they were losing \$330 million a year. They have also said in this letter in which they talk about the Insurance Update, “The costs of settling insurance claims have continued to increase at roughly one per cent a month.”

I do not think the industry can decide as to whether or not it is a pauper or whether it is loaded to the gills. It cannot make up its mind, because in this publication put out by the Insurance Bureau of Canada, the property casualty insurance industry in Ontario says, “Premiums in Ontario amounted to \$5.4 billion.” This was made up as follows, “Premiums in 1986: automobile, \$3 billion; property, \$1.5 billion; liability \$675 million; other, \$275 million,” for a total of \$5.45 billion in premiums. They then say that they paid out \$3.7 billion in claims, including \$2.5 billion in auto, \$675 million in property, \$415 million in liability and others are \$110 million.

That means the difference between their premiums and their claims in that year was \$1.7 billion overall and in the automobile field they took in \$500 million more than they paid out in claims. The premium information does not include the information on investments and return on investments. They do not tell us what that is, but they do say that—

Interjection.

Mr. B. Rae: They do not say that. They will not tell us that, but they do give us a list of their investments in Ontario, which total \$7,555,000,000—which, if you took a very conservative figure of a return on investment of 10 per cent, would mean they were making \$800 million a year.

Mr. Swart: It was actually \$1.5 billion.

Mr. B. Rae: The member for Welland-Thorold says the figure they have put out is now \$1.5 billion. All I am saying is that in order for these figures to add up to a loss of \$330 million, their costs of administration would have to be the most gargantuan, mammoth, grotesque and wasteful series of expenditures you could possibly imagine.

It is fair to say our figures, over the last couple of years, have run into some heavy sledding from time to time, and there have been many in the industry who have made a point, at various times, of saying, “This isn’t right and that isn’t right.” My bottom line has always been: Let the industry come forward, let the industry be examined, let the industry tell us what it is making.

The member for York Mills says that is exactly what this bill is intended to do. He is only partly right, because this bill will finally give the rate review board a chance to get at some of those facts but, having got at those facts, the only thing the rate review board can then do is pass judgement on rates, which will be: “...the board shall set a rate or range of rates that in the opinion of the board is just and reasonable and not excessive or inadequate.”

Mr. Dietsch: That sounds like a good idea.

Mr. B. Rae: The Liberals say that sounds like a good idea. I want to say to the Liberal Party that the experience of financial institutions in this province and, indeed, in the western world is that there is no better cash cow than where you have a private-industry monopoly that is regulated by the government and that assures to that monopoly a just and reasonable rate of return. It is not free. It is not enterprising. It is a cash cow, paid by consumers, legislated by government and rubber-stamped by a rate review board.

It is a guaranteed rate of return, a guaranteed rate of profitability for the industry. All the inefficiencies are built in, all the duplication is built in, all the excessive costs of administration are built in. All the excesses which have given rise to the problems we have in this province are built into the system and they are going to be rubber-stamped by the rate review board. It is a classic Liberal solution. No wonder the industry is laughing. No wonder the industry is happy. They do not even have to go out and compete any more.

The member for Guelph says it is like the Ontario health insurance plan and he is wrong, because it is not like OHIP. Let me tell him what it is like; the member for Guelph should remember. I will tell him what it is like. It is like those brief days in this province where medicare was financed by the government and carried on and passed on and administered by the private insurance industry. Listen to the member for Welland-Thorold, who will describe to you how the costs of administration under OHIP compare to the costs of administration under private-profit insurance companies, where you have a guaranteed rate of return to those companies. There is simply no comparison.

I say to the member for Guelph that what this bill gives to the people of this province is—I would not even call it a second-best solution. It is a solution which is good for the brokers; they are laughing. It is good for the industry; it is laughing. It is not good for drivers. It is not going to be good for the consumer and it is not going to

give the consumer the protection the consumers and the drivers in this province should get.

It seems to me that we in our party are still entitled to say there are some issues of significance and importance to the people of this province. I want to close as I started, by saying how proud I am of the campaign that was started by the member for Welland-Thorold; how very proud I am.

I know the Treasurer took exception to the comments I made on election night. I gather he made some observations. I listened to the Treasurer on election night, as he said how mad he got listening to me speak, and I thought to myself, "The Treasurer must be one of the few sore winners I have encountered in my political career."

1710

Imagine, here is the guy who is going to become the Deputy Premier, with the biggest majority in the history of the province, and he takes such exception to comments that I make with our tiny band of 19. I was trying to give a little bit of spirited life to a party that had gone through a rough campaign and I was speaking to a crowd, one of whose members had been defeated, and the Treasurer (Mr. R. F. Nixon) takes exception.

Hon. R. F. Nixon: Stuffed shirts always annoy me.

Mr. B. Rae: The Treasurer says, "Stuffed shirts always annoy me." I can remember when the Treasurer was not a stuffed shirt. I can remember that.

Hon. R. F. Nixon: Don't make fun of my handicap.

Mr. Breaugh: Eat chocolate bars.

Mr. B. Rae: That is right. Bring him some more M & Ms, will you? Cheer him up.

I want to say that I am proud of this campaign. I am proud of what our governments have done in those provinces, taking on the industry. I can say, having taken on the industry in one campaign, that I am a little bit wiser now in terms of the power of that industry. I think they are expressing their power today in the gloating they are carrying on because they are so proud of what they have been able to do with their new-found relationship with the Liberal Party.

I can understand the frustration of the Conservatives, who for so long had that kind of close relationship with the industry and now see themselves abandoned like some ageing crone by the insurance industry for the younger version of

the same thing, the government that is best for the vested interests in this province.

That is what the Liberal Party is. It is good for the vested interests. It is good for the insurance industry. It is doing its bit for the insurance brokers, and it is not caring a whit for the consumers of this province. That is the government we have; that is the government we are going to have to fight. I say to the Treasurer, it is a government that I look forward to fighting for the next three years.

Hon. R. F. Nixon: I have certainly enjoyed the debate. I think it has been well put forward by both sides and it has been quite effective. I was particularly glad to hear a number of new members participate and to realize that the quality of debate in here is going to go up.

A number of members have mentioned my friend and colleague the parliamentary assistant to the Minister of Financial Institutions (Mr. J. B. Nixon), who I feel has done an excellent job in contributing his views from time to time as the debate has gone forward. I am sure all members will agree that he is well informed and moderate and not hesitant to participate in this particular venue. I am delighted to be so closely associated with him. Everybody here knows he is capable enough to be the minister, but they should also know that he is even bright enough to be the deputy. I certainly look forward to close association with him, to continue his effective work here and in the ministry.

I also was glad to hear two of the three New Democratic Party members, who I think—I do not want to be condescending; the Leader of the Opposition (Mr. B. Rae) will shoot me out of the water—were very good at putting forward their views on this issue.

The Leader of the Opposition, who was not scheduled to take part in the debate, was able to get himself in here and express a view. Oddly enough, I agree with a number of things he put forward. Frankly, I felt the hogwash campaign probably won him as many votes as it won his opponents. During the campaign, it was an issue in all the constituencies, certainly my own.

I winced a bit as I saw the public campaign associated with this, and I thought, "Well, I suppose we will survive even that." Rather than, as the honourable member pointed out, feeling that this was some sort of massive, highly financed steamroller moving aside the rational approach to the provision of a reasonable rate review board, which was our position, I thought in many respects it interfered.

However, the other thing he mentioned was some sort of nefarious plot where individuals took part in campaigns at the constituency level. I think he would agree that all residents of Ontario—even insurance agents—have the right to participate in a campaign. In Haldimand-Norfolk, for example, my campaign headquarters was in the town of Paris. I do not recall any massive infusion of funds from the insurance industry. As a matter of fact, I have checked and there was—

Mr. Swart: The minister should wait until the reports come out.

Hon. R. F. Nixon: The member can pay his 25 cents, if he can get it together, and examine the reports. For reasons that may or may not be obvious, I had a look at the contributions. There was \$100 from Bob and Bill Burns, who have Burns Insurance Service Ltd. In fact, they write the insurance for the Nixon family farm, and they have always given us good service; that is it. As a matter of fact, when our premiums come due, they drive over to St. George, sit down and have a cup of coffee. We talk about everything. He says, “By the way, there is this little bill here.” Dorothy writes out a cheque, because she is the signing officer, and away they go. Because they undertook a minor role in the campaign—I do not remember them coming out and knocking on doors particularly, but they were part of the campaign—I do not see how anybody can criticize them.

To accuse the Leader of the Opposition of paranoia would be an exaggeration. But it seems to me that for him—of all people, the leader of the New Democratic Party—to object to these fine young men, and men and women like them across the province, participating in the campaign for the party and the candidate of their choice—surely, who could possibly object to that? The fact that the honourable member did not have the counterpart in his campaign is something that he should regret. I do not want to make too much of a point of this, but I really feel that participation in the democratic process is something that should not be criticized.

There was a point that had not occurred to me, and I really thought at one point to leave it closer to the end of my remarks. It was brought up by the member for Leeds-Grenville, who asked, “Where was the New Democratic Party during the famous NDP-Liberal accord?” I thought, “That’s right,” because I was one of the negotiators with the NDP. It is only two and half years ago. Under those circumstances, we had very careful discussions about where we, as a

government, would go with the support of the NDP as we turfed out the Tories and formed a new Liberal government.

I think it is obvious from the accord, which was signed by both leaders and widely distributed—as a matter of fact, it was kept in the vest pocket of the now Leader of the Opposition for two whole years. He would drag it out, wave it around and say, “What about the accord?” There was not anything in there about automobile insurance.

Mr. Breagh: For a good reason too.

Hon. R. F. Nixon: I think the good reason was that they might very well—

Mr. Breagh: Somebody took it off the table.

Hon. R. F. Nixon: Well, I—look, all I can say is—

Interjections.

The Deputy Speaker: Order.

Mr. Breagh: Somebody wiped it off the table.

Interjections.

Hon. R. F. Nixon: That doughty little band of warriors—which is the way the leader describes them—and that infinitesimal rump remaining of 38 NDPers—which is the way I would describe them—have finally wakened up.

I simply make the point that the government changed, and there was no position taken by the NDP in that accord, which was signed by both leaders. It was perhaps an opportunity for them to exercise a little influence during that tiny little blip in history when they had some negligible influence. I just think that is part of the record.

I am indebted to the member for Leeds-Grenville for recalling that important matter.

Interjections.

1720

Hon. R. F. Nixon: In talking about the contributions made by the honourable members, I want to join with everybody else who has spoken in complimenting our good friend and tough opponent the member for Welland-Thorold in his contribution to the debate. A lot of us have heard some punk speeches around here—

Mr. Breagh: Wait for it, Mel, for the last half of that sentence.

Hon. R. F. Nixon: There is his cue. But I have heard more than any, because I am now the dean, and I have to go back quite a long time before I can recall a speech that was so, let us say, committed in principle by the individual involved. I have to go back to some of the major

speeches of Donald C. MacDonald, back when I was first elected to the Legislature.

I may have mentioned this at one time previously, but there was a discussion about Northern Ontario Natural Gas that exercised Donald C. MacDonald in those days. The Liberals were not as involved in that issue as we might have been, for reasons that members may remember. But I was thinking that the one thing probably that the member for Welland-Thorold and Don MacDonald have in common is that they come from the populist and, I would say, perhaps intellectual background of the New Democratic Party. They represent what the party could have been, and in fact was in small part, before some segments of organized labour moved in and took it over.

I really appreciate the fact that his speech was so effective. I do not agree with the principle of it, obviously, because I am in support of government policy and am looking forward to defending it some time in the next few minutes. But I did want to say that, because it is not often that an honourable member is so committed to an issue that all else is set aside and all his strength, all his vitality and all his ability are concentrated. It occurred to me that if Billy Graham believed in his cause half as much as the honourable member believes in his, then he too would be a great speaker. But this commitment is something that certainly made an impact on everybody here.

I also want to tell members—

Mr. Swart: Thanks, cousin.

Hon. R. F. Nixon: OK. Now you have raised something that is embarrassing.

I do not want to spend a lot of time on this particularly, but there were a couple of references to the old section 371 of the Insurance Act. I think the member for Sudbury East (Miss Martel), who made an excellent presentation with which I totally disagreed, was referring to that old section that was passed as an amendment to the Insurance Act in about 1936. There was a Liberal government in those days. Mitch Hepburn was the Premier, and there are a good many stories associated with it.

As a matter of fact, it was before the days when premiers were driven around by a driver. He was driving himself from St. Thomas and picked up a hitchhiker. I am not sure I have all the details of this, but this is as closely factual as I can recall it. He got into an accident. The hitchhiker, whether or not he was really injured, was complaining of a sore neck and undertook to sue the Premier. The Premier was outraged, having been a sort of good Samaritan, picking somebody up alongside

the road, and then, through nobody's particular fault, there was an injury. So there was an amendment—

Mr. Breagh: We think you are sanitizing the story.

Hon. R. F. Nixon: I did not say "he or she."

Anyway, they brought in an amendment called the gratuitous passengers amendment, which meant that if there were a hitchhiker or a passenger in the car, he could not sue for negligence or injury. But this, at the time, was another one of the amendments which were very far-reaching for the day and, for reasons that are not now known in detail, it was never proclaimed.

It does give the government substantial powers to adjust insurance rates. The very idea that somebody would suggest that this old, historic anomaly be proclaimed now as the solution to our problems does not make much sense. We believe that the up-to-date powers associated with the responsibility of the government to review the rates and adjust them and control them really lie in the legislation before us, and while it does not satisfy a small group of doughty warriors in the Legislature, it appears that it does command the respect and support of a large majority. We are going to test that, I hope, in the next few minutes.

The establishment of the board has been discussed in some detail. The provisions in the bill are quite clear, and it is my intention as minister to see not that this board is some sort of a rubber stamp where the minister or somebody requested by the minister phones up and tells it what to do, or its members go out to dinner with some insurance lobby and respond to what to do, but with the authority of the Legislature, which we are requesting at this time, that the board is set up as an independent part of government with all of the reviews that are built in as safeguards. It will be up to them to reach their decisions only after full and appropriate hearings in which people concerned, the consumers of the automobile insurance as well as those people who write the automobile insurance, have an opportunity to express their views and a judgement by the board is undertaken.

Much has been said about the capping of the rates that was announced by my predecessor, the present Minister of Industry, Trade and Technology (Mr. Kwinter), back in April. Members are aware that one of the provisions of that bill stated clearly that the capping would come to an end when the rate review board was established and therefore could take over the responsibility of

any adjustment of the rates, or on December 31, 1987, whichever came earlier.

I am glad I stimulate so much interest in the chamber.

Mr. Breagh: You always stimulate a lot of conversation in the chamber.

Mr. B. Rae: It is one of your best speeches.

Hon. R. F. Nixon: It is too late to improve.

As far as I am concerned, we had the responsibility to have that capping provision up until the time the board was established. We had hoped and expected it would be by now or until the end of the calendar year, which is coming up. That is why, on introduction of second reading, I indicated we were going to permit an increase of up to 4.5 per cent. I am not going to spend time indicating the level of that increase compared with the double-digit increases in other jurisdictions and all that. We have had that back and forth and I do not want to spend any time on it.

As minister, with the information that I had available to me, which was similar to that which is available to all members of the House, I felt that this was justifiable and that the capping was otherwise going to be unfair and in fact might be a substantial detriment not only to the companies, which not everybody in this House worries about but which I think have to be of some concern, but also to the people who have to be insured. So I wanted to deal with that provision under those circumstances.

I do not want to spend any time defending myself against what the member for Welland-Thorold has so gleefully pointed out on so many occasions; i.e., I had said there was no capping provision. As I said, I had to plead guilty with an explanation. The explanation really is obvious; that is, the capping bill, as a separate entity, is not required. If we found that the insurance industry was not living up to the reasonable provisions in the capping bill, it would have had to have been reintroduced November 3 and carried November 4 so that we could impose the will of the Legislature on maintaining that cap.

It offends the members of the New Democratic Party for me to say it, but the industry, in large measure, was co-operative in this regard. They made their paybacks of the 10 per cent to males under 25 and to taxicab drivers and they did not raise the rates, although they indicated clearly to me, as they have to others, that they found an extension of the cap beyond January 1 to be unusually dislocating and unfair. I had to agree, and that gave rise to the decision that does not seem to please everybody in the House but a

reasonable majority, and that is good enough in a democratic system.

The second point I want to deal with is the objections to too much being in the regulations section. I have made similar speeches myself on a number of occasions. It made sense when I made the speech; it makes slightly different sense now, but it is not something that has to be and that I am dismissing, I can assure members. The idea of our commitment as a matter of policy to eliminate age, sex and marital status from the rate structure is a commitment of policy and it certainly will be a part of that structure.

We feel it should not be in the bill but be something that is the responsibility of the government under the power granted to it in the regulations section.

1730

I think members are also aware that the Coulter Osborne report is expected some time in the next few weeks. I hope it will be made available to the House, not before Christmas but in January or when we return in February, because we feel that the recommendations will be extremely important to the administration of this bill. That is something else that may very well be affected by the regulations section.

I would say I have a small regret that I did not hear all of the speeches. The honourable members are aware that the Ministry of Treasury and Economics estimates began yesterday, and it was possible for me to go down there and answer some of the questions associated with Treasury expenditures, with the member for Don Mills (Mr. Velshi) filling in for me up here very well indeed.

I would say that the speeches I have heard on all sides have indicated that there may be some improvements in the bill that would be warranted for consideration during the committee hearing. I understand the House leaders have agreed that there will be a substantial hearing of three weeks in January in which the bill can be reviewed very carefully. It will certainly be my view that we are not expecting this to be accepted as if it is set in stone. I can assure members that we are prepared to give positive consideration to amendments, but of course I am not making any guarantees.

I will just tell members this: the people in the ministry, whom I just got to know a few weeks ago, who have been working on this for a long period of time, are very capable and very dedicated individuals. They have worked very hard. They will be taking part in the committee review and, believe me, they are knowledgeable about it as well. I do not place myself in their

category, but when the experts in this matter—and I only know one outside the government—are discussing these matters, it will be a very interesting discussion. I think we will be able to improve the bill by what occurs at the committee hearing, which I expect to be at the standing committee on administration of justice, if that is the will of the House.

I was just thinking of other points that were made. Dr. Slater's report was referred to extensively. The honourable member for Don Mills has made the point, but I just thought it was worth while, since there seemed to be an indication from spokespersons from the New Democratic Party that somehow Dr. Slater was in support of their contention, to indicate that the basic recommendation is as follows: "The government of Ontario should NOT establish at this time a government insurance corporation to deliver auto insurance services."

Mr. Swart: I thought it was the rate review board.

Hon. R. F. Nixon: The member has quoted that. I am making my selection, if he does not mind. I see the member immediately digs into his report. He cannot wait to get up and quote what he already has quoted, but this is the thing that got my attention.

I would say that, as minister, I do not find the thought of publicly operated automobile insurance anathema, as far as I am concerned. The argument is made that in this jurisdiction, where there is a mixture of publicly and privately operated endeavours, our experience with both has been reasonably good. It really has been, accept it or not, I say to the honourable members of the NDP, the decision of this party and actually this government, that the people of Ontario will be best served through this alternative. It was not an attractive alternative for us at this time to establish some large and perhaps bureaucratic, in something other than the best sense, new structure.

We feel that the people are reasonably served by the industry except for the problems that we are all aware of having to do with the cost of insurance. We feel that by the establishment of this board at arm's length, with independent responsibilities and very great powers, we can use the authority and the decision of this Legislature to accomplish what the government, and in fact all members, wish to accomplish; that is, the provision of fairness and equity, a just and reasonable procedure for establishing these rates and we hope a procedure that will be seen to be just and reasonable and, besides that, open to the

residents of Ontario and the companies and individuals which provide the service.

I invite the honourable members to support this bill in principle, in that an arrangement has already been made for a full review of it in detail in committee, and particularly the members of the New Democratic Party who, I sense, are opposed to the bill, to give it some broader consideration, let us say. We share, as I have said many times, the same aim: we want to serve the citizens effectively; we want to see that we have appropriate coverage of automobile risk in this province, where this coverage is mandatory by law, and we feel this bill will effectively and in a democratic and fair way provide this coverage.

So I once again thank the honourable members for their participation in what I consider to be an excellent debate. I hope the majority of the House will support this on second reading, but I think it would be a clear signal to those people out there that we want the best for our citizens if there were a unanimous, 100 per cent support for this bill in principle.

Mr. Swart: On a point of order, Mr. Speaker: To my understanding, and I believe this was practised the other day, there is still the opportunity for members to ask the two-minute questions. This was done in the House the other day. It was recognized—

Hon. R. F. Nixon: Not on windup speeches.

Mr. Swart: On the windup speech; it was recognized. I will get Hansard for you, Mr. Speaker.

Hon. Mr. Kerrio: Do you want to wind up the debate?

Mr. Swart: No, I want to ask a question. I was not going to make any comments. I just want to ask an important question of the minister.

Hon. R. F. Nixon: As long as it not on the basis of this relatively new rule, that there are 90 seconds of questions and all that stuff, I think the honourable member is correct that whenever a member stands up and asks if he may ask a question, normally that is approved. I would be glad to hear from him.

Mr. Swart: On whatever grounds, Mr. Speaker, I would just like to ask—

The Deputy Speaker: I am sorry. Order. The standing orders are very specific on that. I am sorry; the standing orders specify very clearly that there is no period of questions and comments following the windup debate of the minister.

Mr. Swart: Perhaps, Mr. Speaker, the minister would like to wind up his speech by making a

comment on whether the bill which is going out to committee will be accompanied—

The Deputy Speaker: Order.

Mr. Swart: I am very serious on this—by the classification system so that—

The Deputy Speaker: Order, please.

Mr. Swart: —hearings can be held on both at the same time.

Hon. R. F. Nixon: I cannot make that undertaking.

The Deputy Speaker: Now that we all understand the rules in the standing orders very clearly.

1751

The House divided on Hon. R. F. Nixon's motion for second reading of Bill 2, which was agreed to on the following vote:

Ayes

Adams, Ballinger, Beer, Black, Bossy, Callahan, Caplan, Carrothers, Chiarelli, Cleary, Conway, Cooke, D. R., Cordiano, Curling, Daigeler, Dietsch, Eakins, Elliot, Elston, Epp, Faubert, Fawcett, Ferraro, Fleet, Fulton, Furlong, Grandmaître, Haggerty, Hart, Henderson, Hošek, Kanter, Kerrio, Keyes, Kwinter, LeBourdais, Leone, Lipsett, Lupusella;

MacDonald, Mahoney, Mancini, Matrondola, McClelland, McGuigan, McGuinty, McLeod, Miclash, Miller, Morin, Munro, Neumann, Nixon, J. B., Nixon, R. F., Offer, O'Neil, H., O'Neill, Y., Owen, Patten, Pelissero, Phillips, G., Polsinelli, Poole, Ray, M. C., Reycraft, Riddell, Roberts, Scott, Smith, D. W., Smith, E. J., Sola, Sorbara, Stoner, Sullivan, Sweeney, Tatham, Van Horne, Velshi, Ward, Wilson, Wong, Wrye.

Nays

Allen, Brandt, Breaugh, Bryden, Charlton, Cooke, D. S., Eves, Grier, Hampton, Harris, Jackson, Johnson, J. M., Johnston, R. F., Laughren, Mackenzie, Marland, Martel, McCague, McLean, Morin-Strom, Philip, E., Pollock, Rae, B., Reville, Runciman, Sterling, Swart, Villeneuve, Wildman.

Ayes 82; nays 29.

Bill ordered for standing committee on administration of justice.

RESIGNATION OF MEMBER FOR LONDON NORTH

Mr. Van Horne: Mr. Speaker, I rise on a point of personal privilege. I had intended to make this statement tomorrow, but I am asking

the indulgence of the House to make it now because of the rumours that have been flying around for an hour or two and my understanding too that a statement is being made by the Office of the Premier.

I wish to inform the members of this House that I have submitted to the Speaker my resignation as the member for London North, effective December 31, 1987.

It has been an honour and a privilege to have served my constituents and the people of this province; it is something that I will always cherish.

I wish to you, Mr. Speaker, and the members of this assembly every success in your future endeavours.

Hon. R. F. Nixon: This comes as a bit of a surprise. I would like very much to express to the honourable member, on behalf of my colleagues in the Liberal Party, the regret with which we have heard his announcement.

On a personal basis, he and I have been in the political trenches for a number of years. We have even slid down a few ski hills together, and our association has been an excellent one and I will certainly miss him.

On behalf of all of my colleagues, we wish him well in his further pursuits.

Mr. B. Rae: On behalf of the official opposition, I do want to take an opportunity to say a few words to the member for London North while there are so many members here. I must say I am not used to speaking with so many people here, but I do want to say this to the member for London North.

Personally, I just want to say that when I came here we were on the same side and I can say that he very quickly, as one does in the atmosphere of the House, made a point of coming over and chatting and talking about politics, quite apart from partisanship, and about family. Mine was just getting started and he was giving me some advice about what to do when kids would not sleep at night and that kind of thing, which I must confess I am still learning about.

When the government changed and the member became a minister, I took the earliest opportunity to share some concerns I had had in a field in which I have an enduring interest and in which members of our party had had a long interest in terms of care for the elderly. I want to say to the member that I know we all felt he was working with great distinction to talk about and to raise issues within cabinet, within his caucus and within the House that are of great importance to the people of the province.

1800

He has served his constituents very well and he can be very proud of the work he has done. I know I speak for all members when I say the surprise with which his announcement has come perhaps makes our responses a little less prepared and elegant, but I hope, perhaps for that reason, all the more sincere.

We really do wish the member well. He has contributed a great deal to the House and to the atmosphere of this place. He has worked very hard on behalf of his people and he has worked very hard on behalf of senior citizens. We are very grateful for the work he has done.

Mr. Brandt: I too would like to associate myself with the remarks of the previous speakers and my colleagues in the House and, more particularly, on behalf of my party, to say to the member that we deeply appreciate the collegiality, the friendship and the contribution he has made to this House, to the people of Ontario and also to the people of his riding.

My personal knowledge of the member for London North goes back a long number of years. I consider him a friend. We have had many evenings when we have discussed political subjects, and I have to say in all candour that we have not always agreed. However, we have always parted friends and I think with a deep and abiding respect for each other.

The decision the member has made at this particular time strikes me very much as a surprise. I did not anticipate that it was coming at this point. He will be missed even by those who perhaps had fights with him on occasion in this place that we all respect such a great deal.

He will certainly leave with our love and our affection and in the full confidence that whatever he decides to do in the future will be not only to the benefit of himself, hopefully, but also to those around him and to those he has served so very well over such a long number of years. He will be missed, and I trust that the future will be a bright and successful one for him. I wish him Godspeed and the very best.

RETAIL STORE HOURS

The Deputy Speaker: Last Thursday, December 3, pursuant to standing order 30, the member for Nipissing gave notice of his dissatisfaction with the answer to his question given by the Solicitor General (Mrs. Smith) concerning the impact of Sunday store openings in northern Ontario. The member has up to five minutes to debate the matter and the minister may reply for up to five minutes.

Mr. Harris: I appreciate the minister's difficulty with being here last Thursday and am delighted to have the opportunity today. I want to say also that I have never been back here for a late show before and have never felt it necessary, but I was particularly concerned with the answers from the minister on both December 2 and December 3. They are both appropriate because on December 3, I basically asked the minister to reflect on the answer she had given on December 2. I would just like to review quickly my concerns with that.

When I asked the question about northern Ontario with regard to the Sunday shopping issue—and I do not want to review the whole issue; I think we all know what we are talking about—I asked about the unorganized areas of northern Ontario. I did so to find out what consideration had been given to what would happen in the unorganized areas versus the organized areas. I used the example of North Bay, where the city of North Bay, with some 50,000 people, is the principal area of shopping. There is an unorganized area a matter of two or three miles from the city centre and certainly that distance from the major shopping areas.

The answers to my questions disturbed me. The answer to the first question was: "There must be somebody there now who is making decisions on store hours. They can continue to do it."

The persons making the decisions in unorganized areas are basically the ministries responsible. There may be a local roads warden who will make a decision vis-à-vis roads; there may be a utilities commission which will make a decision vis-à-vis services. However, vis-à-vis store openings, it is the minister herself who will make that decision. That is what it is: it is unorganized. There is no organization to make these decisions. She says, "There must be somebody." Yes, there is: it is the minister.

Again, it was very obvious to me that the matter had not been discussed, the implications for unorganized areas, and there really are only a couple of reasons why that would occur. First, it was an oversight on her ministry's part, and they were proceeding post-haste with a policy that they had to fire out in a hurry and make an announcement on. It concerns me that the implications for northern Ontario were not considered. I think her ministry has an obligation to consider northern Ontario. It concerns me that the impact on the north of some of these decisions, that many consider to be metropolitan decisions, are not considered.

Second, it concerns me that the Minister of Northern Development (Mr. Fontaine) did not take it on himself to have some input. So I raised those issues with the minister, and she replied, when I asked by way of supplementary—when it was obvious she did not know the answer to that, it had not been considered; at least, if it had been, she did not remember, which would concern me, and I do not think that was the case—I asked, had there been any input from the Minister of Northern Development on this matter? I asked if the Solicitor General had asked for his input or if he had asked for input, one way or the other; was there any input there? Answer: “This was discussed at great length in cabinet and the minister was there.” Clearly, the implication is: Yes, of course, the Minister of Northern Development had his say and his input, and it was understood.

I do not think the evidence points to the fact that such was the case. That is why I asked on Thursday if, in the light of the answer she had given and the hastily prepared notes that were going back and forth to the Minister of Municipal Affairs (Mr. Eakins) and the Minister of Northern Development, she might not want to reconsider that answer. That was basically the gist of the question, and I think it would be appropriate if the minister did reconsider and did tell us exactly what occurred.

What we are concerned about in northern Ontario is what is going to happen. We did not have those answers. We are also concerned with what is happening vis-à-vis consideration of northern Ontario in other ministries.

1810

The Deputy Speaker: I am sorry, your time is up.

Interjections.

The Deputy Speaker: Order.

Mr. Harris: Third, I would like the minister to consider whether the Minister of Northern Development is, in fact, having the input that she should have there.

Hon. Mrs. Smith: I thank the member for his consideration in delaying the night scene until tonight. I am appreciative of that.

I quite readily admit to the member that I did not have as much information on the unorganized territories at my fingertips as I should like to have had, but I would like to point out that the discussion at cabinet and the decision was related to what was then reported to the House; namely that the definition of “tourism” in a way that was meaningful, and could cover every part of this

province, had been discussed at great length and it was decided that not one definition could stand.

We did not in any territory or part of the province discuss what would then be done for that particular area. We set that aside for discussion afterwards, because we knew that many people will want to have input, will want to come from their own ridings, their own areas and put forward their points of view of what should be done or not done in our oncoming bill, if we have a bill, or our oncoming stance, if we do not put forward a bill to be opted out of.

I have done a good deal of inquiring about the unorganized territories and the impact it will have on them and on those nearby. There are about 80,000 people living in the unorganized territories, 30,000 of them on reserves. There seems to be no compacted information on the numbers of stores there. Most of them are small, tourist-related, often family run.

The boards that exist, as the member has pointed out, tend to be committees of education, services, roads, planning, welfare, health, and the practical experience is that there has been no one controlling hours of shopping in the unorganized territories. If the member has some sense of someone there controlling them, I have been able to find that no such control existed. They have, in effect, because they were unorganized, in each instance controlled their own individual hours of shopping, which does not mean they were all open all the time or all closed all the time but, rather in the manner of unorganized areas, they were doing, ahead of what we are now talking about, a much closer thing to what we are now doing. They were making very local decisions with their very local considerations in mind.

In fact, if we went to no retail act, under the ordinary events they would have fallen back under the Lord’s Day Act, but the Lord’s Day Act has been ruled unconstitutional by the courts. Therefore, there is in fact a vacuum. So I would concur that if restrictions were going to be put in which have never existed, then probably we would have to find some way to do it through order in council of cabinet through my ministry. However, the reverse is what is true. What is being proposed now is not a restriction or a centralized decision, but rather a localized decision, and this is what already exists in the unorganized areas.

The member has expressed concern because an unorganized area without control is in fact on the edge of North Bay, for instance—the example the member gave—and might vote to be closed. This is no different from any other area that all of

us represent. In London, we might vote to be open and Strathroy might vote to be closed. But then to take the member's comparison, what if London voted to be closed and Strathroy voted to be open? We would have the same situation that he would have if a store in the unorganized area voted to be open while North Bay, just a little distance away, was closed.

The situation as it exists presently in the unorganized communities or districts will continue, and the people who live in North Bay will have to take a choice and vote as they will, just as all of us with abutting neighbours have to look at our abutting neighbours, making those decisions in the light of the fact that we may have neighbours who make a different decision.

The situation in that territory remains exactly the same as for other people in Ontario. It is a

local decision. In this case, it will likely remain a local decision, as it always has been, where the people make their own choices. It seems to have created no problem.

Mr. Harris: There are no people there to make the choice.

Hon. Mrs. Smith: That is right. They open when they open and they close when they close in the individual stores, and that is the way it has been until now. If the member sees a problem in this, we will be having open discussion on this and will welcome the input of the unorganized territories.

The Deputy Speaker: I deem the motion to adjourn to have been carried.

The House adjourned at 6:16 p.m.

ALPHABETICAL LIST OF MEMBERS*

(130 seats)

First Session, 34th Parliament

Lieutenant Governor: Hon. Lincoln M. Alexander, PC, QC

-
- Adams, Peter (Peterborough L)
 Allen, Richard (Hamilton West NDP)
 Ballinger, William G. (Durham-York L)
 Beer, Charles (York North L)
 Black, Kenneth H. (Muskoka-Georgian Bay L)
 Bossy, Maurice L. (Chatham-Kent L)
Bradley, Hon. James J., Minister of the Environment (St. Catharines L)
 Brandt, Andrew S. (Sarnia PC)
 Breagh, Michael J. (Oshawa NDP)
 Brown, Michael A. (Algoma-Manitoulin L)
 Bryden, Marion (Beaches-Woodbine NDP)
 Callahan, Robert V. (Brampton South L)
 Campbell, Sterling (Sudbury L)
Caplan, Hon. Elinor, Minister of Health (Orillia L)
 Carrothers, Douglas A. (Oakville South L)
 Charlton, Brian A. (Hamilton Mountain NDP)
 Chiarelli, Robert (Ottawa West L)
 Cleary, John C. (Cornwall L)
 Collins, Shirley (Wentworth East L)
Conway, Hon. Sean G., Minister of Mines (Renfrew North L)
 Cooke, David R. (Kitchener L)
 Cooke, David S. (Windsor-Riverside NDP)
 Cordiano, Joseph (Lawrence L)
 Cousens, W. Donald (Markham PC)
 Cureatz, Sam L. (Durham East PC)
Curling, Hon. Alvin, Minister of Skills Development (Scarborough North L)
 Daigeler, Hans (Nepean L)
 Dietsch, Michael M. (St. Catharines-Brock L)
Eakins, Hon. John F., Minister of Municipal Affairs (Victoria-Haliburton L)
Edighoffer, Hon. Hugh A., Speaker (Perth L)
 Elliot, R. Walter (Halton North L)
Elston, Hon. Murray J., Chairman of the Management Board of Cabinet (Bruce L)
 Epp, Herbert A. (Waterloo North L)
 Eves, Ernie L. (Parry Sound PC)
 Farnan, Michael (Cambridge NDP)
 Faubert, Frank (Scarborough-Ellesmere L)
 Fawcett, Joan M. (Northumberland L)
 Ferraro, Rick E. (Guelph L)
 Fleet, David (High Park-Swansea L)
Fontaine, Hon. René, Minister of Northern Development (Cochrane North L)
Fulton, Hon. Ed, Minister of Transportation (Scarborough East L)
 Furlong, Allan W. (Durham Centre L)
Grandmaitre, Hon. Bernard C., Minister of Revenue (Ottawa East L)
 Grier, Ruth A. (Etobicoke-Lakeshore NDP)
 Haggerty, Ray (Niagara South L)
 Hampton, Howard (Rainy River NDP)
 Harris, Michael D. (Nipissing PC)
 Hart, Christine E. (York East L)
 Henderson, D. James (Etobicoke-Humber L)
Hošek, Hon. Chaviva, Minister of Housing (Oakwood L)
 Jackson, Cameron (Burlington South PC)
 Johnson, Jack (Wellington PC)
 Johnston, Richard F. (Scarborough West NDP)
 Kanter, Ron (St. Andrew-St. Patrick L)
Kerrio, Hon. Vincent G., Minister of Natural Resources (Niagara Falls L)
 Keyes, Kenneth A. (Kingston and The Islands L)
 Kozyra, Taras B. (Port Arthur L)
Kwinter, Hon. Monte, Minister of Industry, Trade and Technology (Wilson Heights L)
 Laughren, Floyd (Nickel Belt NDP)
 LeBourdais, Linda (Etobicoke West L)
 Leone, Laureano (Downsview L)
 Lipsett, Ron (Grey L)
 Lupusella, Tony (Dovercourt L)
 MacDonald, Keith (Prince Edward-Lennox L)
 Mackenzie, Bob (Hamilton East NDP)
 Mahoney, Steven W. (Mississauga West L)
Mancini, Hon. Remo, Minister without Portfolio (Essex South L)
 Marland, Margaret (Mississauga South PC)
 Martel, Shelley (Sudbury East NDP)
 Matrundola, Gino (Willowdale L)
 McCague, George R. (Simcoe West PC)
 McClelland, Carman (Brampton North L)
 McGuigan, James F. (Essex-Kent L)
 McGuinty, Dalton J. (Ottawa South L)
 McLean, Allan K. (Simcoe East PC)
McLeod, Hon. Lyn, Minister of Colleges and Universities (Fort William L)
 Miclash, Frank (Kenora L)
 Miller, Gordon I. (Norfolk L)
 Morin, Gilles E. (Carleton East L)
 Morin-Strom, Karl E. (Sault Ste. Marie NDP)

Munro, Hon. Lily O., Minister of Culture and Communications (Hamilton Centre L)

Neumann, David E. (Brantford L)

Nicholas, Cindy (Scarborough Centre L)

Nixon, J. Bradford (York Mills L)

Nixon, Hon. Robert F., Deputy Premier, Treasurer of Ontario and Minister of Economics and Minister of Financial Institutions (Brant-Haldimand L)

Offer, Steven (Mississauga North L)

O'Neil, Hon. Hugh P., Minister of Tourism and Recreation (Quinte L)

O'Neill, Yvonne (Ottawa-Rideau L)

Owen, Bruce (Simcoe Centre L)

Patten, Hon. Richard, Minister of Government Services (Ottawa Centre L)

Pelissero, Harry E. (Lincoln L)

Peterson, Hon. David R., Premier and President of the Council and Minister of Intergovernmental Affairs (London Centre L)

Philip, Ed (Etobicoke-Rexdale NDP)

Phillips, Hon. Gerry, Minister of Citizenship (Scarborough-Agincourt L)

Poirier, Jean, Deputy Speaker and Chairman of the Committees of the Whole House (Prescott and Russell L)

Pollock, Jim (Hastings-Peterborough PC)

Polsinelli, Claudio (Yorkview L)

Poole, Dianne (Eglinton L)

Pope, Alan W. (Cochrane South PC)

Pouliot, Gilles (Lake Nipigon NDP)

Rae, Bob (York South NDP)

Ramsay, Hon. David, Minister of Correctional Services (Timiskaming L)

Ray, Michael C. (Windsor-Walkerville L)

Reville, David (Riverdale NDP)

Reycraft, Douglas R. (Middlesex L)

Riddell, Hon. Jack, Minister of Agriculture and Food (Huron L)

Roberts, Marietta L. D., Deputy Chairman of the Committees of the Whole House (Elgin L)

Runciman, Robert W. (Leeds-Grenville PC)

Ruprecht, Tony (Parkdale L)

Scott, Hon. Ian G., Attorney General (St. George-St. David L)

Smith, David W. (Lambton L)

Smith, Hon. E. Joan, Solicitor General (London South L)

Sola, John (Mississauga East L)

Sorbara, Hon. Gregory S., Minister of Labour (York Centre L)

South, Larry (Frontenac-Addington L)

Sterling, Norman W. (Carleton PC)

Stoner, Norah (Durham West L)

Sullivan, Barbara (Halton Centre L)

Swart, Mel (Welland-Thorold NDP)

Sweeney, Hon. John, Minister of Community and Social Services (Kitchener-Wilmot L)

Tatham, Charlie (Oxford L)

Van Horne, Ronald G. (London North L)

Velshi, Murad (Don Mills L)

Villeneuve, Noble (Stormont, Dundas and Glengarry PC)

Ward, Hon. Christopher C., Minister of Education (Wentworth North L)

Wildman, Bud (Algoma NDP)

Wilson, Hon. Mavis, Minister without Portfolio (Dufferin-Peel L)

Wiseman, Douglas J. (Lanark-Renfrew PC)

Wong, Hon. Robert C., Minister of Energy (Fort York L)

Wrye, Hon. William, Minister of Consumer and Commercial Relations (Windsor-Sandwich L)

*The alphabetical list of members appears in each issue. Lists of the members of the executive council, parliamentary assistants and members of committees, brought up to date as necessary, are published in Hansard in the first and last issues of each session and on the first sitting day of each month.

CONTENTS

Tuesday, December 8, 1987

Members' statements

Trade with United States, Mr. Philip	933
School accommodation, Mr. Jackson	933
Human rights, Mr. Offer	933
Northern health services, Mr. Hampton	934
Affordable housing, Mr. Cousens	934
Human rights, Mr. Polsinelli	934

Oral questions

Labour legislation, Mr. B. Rae, Hon. Mr. Sorbara	935
Property taxes, Mr. Brandt, Hon. Mr. Grandmaître	937
School accommodation, Mr. Jackson, Hon. Mr. Ward	938
Hours of work, Mr. Mackenzie, Hon. Mr. Sorbara	939
Purchase of surplus power, Mr. Runciman, Hon. Mr. Wong	940
Occupational health and safety, Miss Martel, Hon. Mr. Sorbara	940
Transmission lines, Mr. Sterling, Hon. Mr. Wong	941
Nepean civic and performing arts centre, Mr. Daigeler, Hon. Ms. Munro	941
Plant closure, Mr. Allen, Hon. Mr. Sorbara	942
Renterprise program, Mr. Pope, Hon. Ms. Hošek	943
Farm safety, Mr. Wilman, Hon. Mr. Riddell	943
Highway construction, Mr. Wiseman, Hon. Mr. Fulton	944
International banking centres, Mr. Ferraro, Hon. R. F. Nixon	944
Workers' compensation, Mr. D. S. Cooke, Hon. Mr. Sorbara	944

Petition

School buses, Mr. Poirier, tabled	945
--	-----

First readings

Municipality of Metropolitan Toronto Amendment Act, Bill 61, Hon. Mrs. Smith, Mr. Cureatz, agreed to	945
Health Protection and Promotion Amendment Act, Bill 62, Mr. Henderson, agreed to ..	946
Laboratory and Specimen Collection Centre Licensing Amendment Act, Bill 63, Mr. Henderson, agreed to	946
Health Insurance Amendment Act, Bill 64, Mr. Henderson, agreed to	946
City of Toronto Act, Bill Pr16, Mr. Kanter, agreed to	946

Second reading

Ontario Automobile Insurance Board Act, Bill 2, Hon. R. F. Nixon, Mr. Philip, Mr. Fleet, Mr. Wiseman, Mr. Morin-Strom, Mr. Haggerty, Mr. Neumann, Miss Martel, Mr. J. B. Nixon, Mr. Swart, Mr. Dietsch, Mr. Hampton, Mr. Runciman, Mr. Mackenzie, Mr. B. Rae, agreed to	947
--	-----

Adjournment debate

Retail store hours, Mr. Harris, Hon. Mrs. Smith	977
--	-----

Other business

Visitor, Mr. Speaker	935
Use of time in question period, Mr. D. S. Cooke, Mr. Speaker, Mr. R. F. Johnston.....	946
Notice of dissatisfaction, Mr. Speaker	946
Answers to questions in Orders and Notices, Hon. Mr. Conway, tabled	946
Resignation of member for London North, Mr. Van Horne, Hon. R. F. Nixon, Mr. B. Rae, Mr. Brandt	976
Adjournment	979
Alphabetical list of members	980



CAZON
X1
-D23

1987/11/17

No. 20

Hansard

Official Report of Debates

Legislative Assembly of Ontario

First Session, 34th Parliament
Wednesday, December 9, 1987

Speaker: Honourable Hugh A. Edighoffer
Clerk of the House: Claude L. DesRosiers

Published by the Legislative Assembly of Ontario
Editor of Debates: Peter Brannan

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of members of the Legislative Assembly of Ontario.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$18.00 per session, from: Sessional Subscription Service, Information Services Branch, Ministry of Government Services, 5th Floor, 880 Bay Street, Toronto, M7A 1N8. Phone (416) 965-2238.

LEGISLATIVE ASSEMBLY OF ONTARIO

Wednesday, December 9, 1987

The House met at 1:30 p.m.

Prayers.

Mr. Daigeler: On a point of privilege, Mr. Speaker: Yesterday, the member for Scarborough West (Mr. R. F. Johnston) asked you to determine whether it was a matter of public importance that the Premier (Mr. Peterson) be present at the historic opening of the new Nepean city hall. I just want to assure you and the member for Scarborough West that after 40 years of Toronto-centred provincial government, the people in eastern Ontario and in Nepean consider it a matter of great importance and urgency to have the Premier recognize, through his presence, our achievements and our equal place in Ontario.

Mr. Wildman: Boy, you haven't done well in two days.

Mr. Speaker: Order. The member did rise on a point of privilege. I would say that is not a point of privilege. The most appropriate spot would have been the members' statements.

Mr. Harris: They won't let him waste the time there, so he tries to slip it in here.

SPEAKER'S RULING

Mr. Speaker: Order. On the same subject, I would like to thank the House leader of the official opposition, the member for Windsor-Riverside (Mr. D. S. Cooke), for bringing to my attention yesterday the matter of how questions should be asked during our oral question period every day.

I have looked into this matter and it gives me the occasion to remind all honourable members that their questions to ministers should be direct, seek information, not be argumentative and be of an urgent and important nature. The supplementary question from the member for Nepean (Mr. Daigeler) yesterday, in my opinion, does not quite fit that description.

I would just like to remind all members that question period will remain a valuable part of our daily proceedings if both the questioner and the minister replying follow the basic rules of addressing their questions and replies through the Speaker and making sure that they are brief and to the point.

Hon. Mr. Conway: On a point of order, Mr. Speaker: I did hear you say that questions ought not be argumentative.

Interjections.

Mr. Speaker: I am glad the government House leader was listening very carefully.

MEMBERS' STATEMENTS

WORKERS' COMPENSATION

Mr. Laughren: I know it will come as no surprise to members of the Legislature to hear me say that the Ontario workers' compensation system is in a terrible mess and is getting worse. The injured workers of the province are not happy, and now we have a new group calling for a royal commission into the whole way in which we compensate injured workers in Ontario. The latest group is the Canadian Federation of Independent Business. They join the Ontario Mining Association, the Ontario Progressive Conservative caucus and Ontario New Democrats, who have been calling for it since 1972.

We feel very strongly that the system of compensation we have now, which has been in place since 1915, simply must be changed. We must put an end to the adversarial system, in which the injured worker is pitted against the Workers' Compensation Board, which is funded totally by the employers in Ontario.

We believe it is time in Ontario for a universal sickness and accident system that compensates people regardless of the cause of the injury and regardless of where it occurred. Of course, employers would still pay—or perhaps for the first time they would pay—their fair share of compensating those injured workers.

EDUCATION FUNDING

Mrs. Marland: This morning I met with the chairman, Bob Hall, and members of the Dufferin-Peel Roman Catholic Separate School Board and their administrative staff. We were discussing the underfunding to meet their capital needs. Simply put, their shortfall of capital funding is beyond a crisis. It is now a disaster.

In this board today there are 11,000 students in portables, which is about one fifth of their student population. In one school alone the projections are that, by 1990, there will be 300

students in the school and 900 students outside in portables. Without any new residential growth, the Dufferin-Peel board today needs five new high schools and 28 elementary schools.

Two weeks ago I also met with the chairman, Margaret McKee, and members of the Peel Board of Education and their staff. This is the largest public school board in Canada today. Their shortfall in capital funding is just as critical in every way as that of the separate board. The Peel board requires \$130 million in the next five years, and by 1988 they will be using over 500 portables.

In a government that says education is its priority, we would like to see it demonstrate this by recognizing that this is a unique growth area with unique needs. When they talk about good education for every student in Ontario, we had better look at Peel, because there is a double standard there for those students, and we cannot afford to consider class-size reduction without the schools being there in the first place.

AFFORDABLE HOUSING

Mr. Fleet: I urge the Ontario government to continue to promote the building of affordable housing. Increasing the supply of affordable housing means taking different steps to assist diverse groups of people. The plight of people with inadequate housing or without any shelter at all is intolerable. Increased hostels or other forms of emergency housing are required for both singles and families. Many of these people also require related social support and counselling.

This critical need demands immediate action. Affordable housing for other groups means increasing the supply of permanent housing. This government has taken positive steps, and we must now pursue massive and innovative reform of the municipal planning process. Government resources are important but cannot alone relieve the affordability crunch.

Our housing objectives should include the following: (1) effective tenant protection, especially for those most in need; (2) increasing the opportunities for ordinary citizens to buy their own homes; and (3) new development rules to expedite housing construction in both conventional and major commercial projects. Once again, I urge the government to accelerate reform and action on housing issues.

CHILD CARE

Mrs. Grier: In April 1987, the government pledged that every new school in the province would include space for day care. Etobicoke

sought to take advantage of that promise by including a day care centre in plans for a new school building on the site of Seventh Street Junior Public School. Imagine our surprise when the Ministry of Education ruled that our new school was not a new school but merely a replacement school.

I ask the members of this House who represent communities with old school buildings to consider carefully the implications of the ministry's decision. If you come from an older urban area, where the population is changing, you will be discriminated against by the Ministry of Education if you rebuild your school. If you come from a small town with a 50-year-old school, do not count on getting a day care centre included if you build a new one. Only your neighbours in the subdivisions on the outskirts of town qualify for a day care centre, according to the definitions of the Ministry of Education.

The minister has promised to review the decision of his officials. In response to a question from me last week, the Premier (Mr. Peterson) too said he would look at the decision. If the city changed the name of the school, would it then qualify as a new school? My plea today is that any review be expedited. Etobicoke hopes to call tenders for the new school by spring. I cherish the hope that the government will put common sense ahead of bureaucratic barriers and I urge the minister to make a quick and positive decision.

1340

NUCLEAR DISARMAMENT

Mr. Jackson: The spirit of détente has been revived. The signing of the intermediate-range nuclear forces treaty in Washington was a bold and courageous act by the world's two most powerful leaders. While the treaty by no means brings to an end the nuclear arms race, we must hope it is the beginning of the end.

The centrepiece of the accord is the unprecedented inclusion of verification mechanisms, and second, warheads in the accompanying delivery systems will be eliminated. Mr. Reagan and Mr. Gorbachev signed this treaty despite the intense lobbying of some interest groups in their respective countries to do otherwise.

These two leaders rose above politics and as such merit the title of statesmen. The Premier (Mr. Peterson) will recall that on November 13, 1987, a letter was delivered to his office which was signed by representatives of all three political parties in this House. We asked him to exhibit leadership and make a commitment towards ending the threat of nuclear proliferation

by establishing an all-party task force to explore the means by which legal force could be given to the resolution declaring Ontario a nuclear weapons free zone. To date, his office has not replied to our letter.

I implore the Premier to rise above partisan politics and seize the moment for peace in the same spirit and the same manner as General Secretary Gorbachev and President Reagan.

LORI STRONG

Mr. Furlong: I want to draw the attention of members to the achievements of 15-year-old Lori Strong, a grade 10 honours student at Anderson Collegiate and Vocational Institute in Whitby. This remarkable young woman has been selected as the Canadian junior female athlete of the year by the Sports Federation of Canada.

Lori began competing at the age of five and by age 10 she had achieved the international distinction of being the youngest medallist in the history of gymnastics. In 1986-87, Lori participated successfully here at home, as well as at international events in Hungary, East Germany and Japan. Overall champion, gold medals and scores of a perfect 10 are the rule rather than the exception for Lori Strong.

Earlier this year, Lori was the overall champion at the world team trials in Toronto. In October, she competed for Canada at the world gymnastic championships in Rotterdam. Lori led the Canadian team and placed 15th overall, the highest finalist from a noncommunist-bloc country. At this event she performed a unique move never before performed. That move has now been named the Strong in her honour.

Lori Strong has won 90 gold medals in her career. She has won 20 medals at major international events, more than any other Canadian in history. She has won two major international championships. No other Canadian woman has won a major event.

I salute Lori Strong, the Canadian junior female athlete of the year. I compliment her on her achievements to date and wish her every success as she prepares for the 1988 Olympics.

HOSPITAL BEDS

Mr. Swart: I would like to address my comments to the Minister of Health (Mrs. Caplan) and just say that after many years of saying no, the Niagara District Health Council has now recommended an additional 75 chronic care beds for the Welland County General Hospital. As the minister must know, the

overcrowding there has been extremely severe, much more than the average in Ontario.

Given that need and given the fact that the Welland hospital costs per patient are the lowest in the province for its category, as I am sure she is also aware, I would urge the Minister of Health to give favourable consideration to that request for 75 additional beds.

STATEMENTS BY THE MINISTRY

ECONOMIC OUTLOOK AND FISCAL REVIEW

Hon. R. F. Nixon: I am tabling today the second annual Economic Outlook and Fiscal Review. It is prepared by the staff of the Ministry of Treasury and Economics as part of our continuing efforts to improve the prebudget discussion and consultation process.

This document is designed to inform all members and to assist the standing committee on finance and economic affairs in its deliberations. It details Ontario's fiscal performance to date and also contains a forecast for the province's 1988 economic performance and a review of medium-term prospects from 1989 to 1991.

In 1988, Ontario is expected to enter its sixth consecutive year of economic expansion. In addition, job creation, which totalled roughly 300,000 over the past two years, will continue with another 105,000 jobs forecast for next year.

As members are aware, in the coming year the federal government will be bringing in legislation on tax reform. While it is not possible at this time to give a detailed accounting of the effects of reform, Treasury economists have provided a general overview of the anticipated impact.

In the light of Ontario's economic ties with the United States, the Economic Outlook and Fiscal Review also provides an alternative scenario for Ontario should the United States enter an economic downturn.

I emphasize to members and others who study this document that the medium-term projections of economic performances made by Treasury staff are not targets. They are forecasts derived from reasonable assumptions about our economic environment.

I trust the information contained in the review will contribute to a better understanding of the context in which budget decisions are made. In the coming weeks, I hope members of the Legislature and the general public will take the opportunity to provide the standing committee with their views on the budget priorities for the province.

FARM PRODUCTS MARKETING

Hon. Mr. Riddell: In today's highly competitive agriculture and food marketplace, it is a matter of necessity to establish efficient and effective administration and regulations concerning the marketing of Ontario's farm products.

In 1985, my ministry conducted an internal review of the existing structure of the Farm Products Marketing Board and the Milk Commission of Ontario. One of the key recommendations of the review was to amend the existing legislation and to provide for one supervisory body to administer both acts.

As a result of extensive consultation with the relevant commodity marketing boards and processors' associations and with their support, I am tabling legislation today to amend the Farm Products Marketing Act, the Milk Act and the Ministry of Agriculture and Food Act.

As recently as last week, my ministry and I met with representatives of all the marketing boards to finalize details. The amendment involves revoking the sections providing for the constitution and structure of the two bodies to administer their respective acts and amending the Ministry of Agriculture and Food Act to provide for one supervisory body to administer both the Milk and the Farm Products Marketing Acts.

The new body is to be known as the Ontario Farm Products Marketing Commission.

In addition, the amendments will include provisions which will allow for terms, conditions and penalties to be applied towards licences, to increase the levels of fines for both processors and producers contravening the act and to allow the appointment of a director to carry out the licensing responsibilities of the act.

The Ontario Vegetable Growers' Marketing Board has asked that we make these changes and have them in place for the next growing season. I urge the speedy passage of this bill to ensure a fair and equitable business environment for Ontario's food producers and processors and the continuing market success of Ontario's agriculture and food industry.

RESPONSES

ECONOMIC OUTLOOK AND FISCAL REVIEW

Mr. Laughren: I would like to respond to the statement of the Treasurer (Mr. R. F. Nixon). We are pleased the statement was tabled before we adjourned, at least.

The Treasurer in his third paragraph states, "In 1988, Ontario is expected to enter its sixth

consecutive year of economic expansion." While those of us on this side take some satisfaction, as does the Treasurer, in the fact the economy in Ontario is expanding, and we do not think for a moment that the Treasurer nor we, for that matter, should dwell on the problems of the other Ontario, we wish that the Treasurer would at least acknowledge there are large sectors of Ontario that are having enormous difficulties, and this government seems to be prepared to do virtually nothing about it.

As a matter of fact, since this government took power a couple of years ago, the number of people on welfare has gone up by over 5,000 cases, and when they hear taunts from this side that it is 44 years of Tory rule now, they know now why it comes from this side.

The use of food banks in the province is an obscenity in a prosperous community such as Toronto. For example, this year the Daily Bread Food Bank will hand out 4.2 million pounds of food. We think that is simply ridiculous. Unemployment in certain parts of Ontario is not what it is in Toronto. Ontario is not Toronto, and there are regions in this province that are suffering, including virtually all of northern Ontario.

1350

The housing situation is terrible and, according to this statement the minister tabled today, it is going to get worse in terms of housing starts. There are 10,000 homeless people in Metropolitan Toronto and 20,000 across Ontario. It is extremely difficult for me even to picture or conceive the idea of 20,000 homeless people in a province as prosperous as Ontario.

The waiting list for assisted housing has never been higher than it is now in the province, and house prices in the last two years have gone up approximately 50 per cent in Ontario.

We know the minimum wage in Ontario is such that it is not even keeping up with the rate of inflation. The Minister of Community and Social Services (Mr. Sweeney) has admitted that it makes more sense for people on welfare to stay there, rather than work at the minimum wage.

We just wish on this side that from time to time the Treasurer and other ministers would acknowledge that there is another Ontario and attempt to do something serious about it.

Mr. B. Rae: I want to endorse very strongly the comments made by my colleague the member for Nickel Belt (Mr. Laughren) and simply ask the House to focus for a moment on the statements that are contained in the report with respect to housing on pages 10 and 11.

The report notes that housing starts will be down by some 24,000 units this year. It notes that there has been an extraordinary rise in the cost of housing in the last two years. It notes that the cost of housing has increased by 25 per cent in 1986 and 24 per cent over only the first three quarters of 1987. It notes that housing affordability has deteriorated and will dampen demand. It notes that carrying costs, as a percentage of gross family income, have risen substantially, from 20.6 per cent in 1985 to an estimated 25.9 per cent in 1987.

Finally, it notes that there has been a steep rise in down payments, which has contributed to a deterioration in housing affordability, to use the words of the report. It says, "Assuming a standard down payment of 25 per cent, the minimum outlay for purchasing a home in Ontario has risen from 51.6 per cent of average family income in 1985 to an estimated"—and, I might add, a whopping—"69.7 per cent in 1987."

What is contained in this report with respect to housing is damning information indeed. I am delighted the Treasurer has provided us with this information. We could only wish, however, that it was accompanied by a policy with respect to housing that would deal with the crisis of affordability, the crisis of access and the crisis of poverty that my colleague the member for Nickel Belt has referred to so eloquently today.

It is all very well to present us with these projections, but unless the government is prepared to accompany these projections, particularly in the housing field, with policies that are going to deal with the crisis of affordability and the crisis of homelessness that now plague this province, then all I can say is that we have a long way to go before we finally find some decent justice in this province with respect to the issue of housing.

FARM PRODUCTS MARKETING

Mr. Villeneuve: In reply to the announcement of the Minister of Agriculture and Food (Mr. Riddell) today that he will be opening up the Farm Products Marketing Act, the Milk Act and the Ministry of Agriculture and Food Act, I have been in contact with the Ontario Milk Marketing Board quite recently and we must ensure that the ripple effect of opening up these acts does not adversely affect the producers here in Ontario.

We must, for instance, be very careful that we do not wind up allowing for dairy products to be blended with other products and some of those things that are of very great concern to the dairy industry.

However, I am always disappointed that we look at agriculture as somehow something that is not that important here in Ontario. Heaven knows, agriculture is going through some very difficult times. In the *Toronto Star*, as recently as yesterday, in an article, *Fighting for Their Farms*, two ladies from the riding I represent, Dianne Harkin and Dorothy Middleton, were telling the world just how difficult things are out on the farm.

Since 1985, the present government has presided over a reduction of one third in the price received for grains by Ontario's farmers. A reduction of one third is a real shame. Prices for grain now are what they were in 1967, and yet the input costs are at 1987 levels.

I am always amazed that the minister gets up in this House and tells us how great he has done. He does not talk about the reduction of one third in gross income that has occurred on our Ontario farms. Somehow or other he avoids that. The facts are right in this 1986 Ontario Ministry of Agriculture and Food publication. The facts are there on page 53. It is a 33 per cent reduction in field crops. Grain producers have suffered even more. Yes, we must open up these acts. We must look after them.

What must be addressed is the income our farmers are not receiving. For instance, fuel ethanol would greatly increase the farm-gate value of our coarse grains here in Ontario. We must look at these things. It is a home-grown solution to a pollution problem. The Minister of Agriculture and Food must address the income problems faced by Ontario's agriculture.

ECONOMIC OUTLOOK AND FISCAL REVIEW

Mr. Cousens: The economic outlook is good for some, but it is bleak and very bad for others. When you talk about a crisis, it is a crisis in credibility when you are faced with a government that has made a promise that it is going to build 102,000 affordable rental units by 1989, to begin to address the needs of those who need housing, when in fact you are seeing all the statistics as now released in the Economic Outlook showing that it is going bad. It is going bad for the poor people and it is going bad for the lower-middle class. They are not able to survive. They are not able to live in a home of their own. They are not even able to rent in downtown Metro areas without some more support from this government. Average resale housing prices in Ontario are increasing. Housing affordability has deteriorated and will dampen demand.

We have a need in this province for honesty and integrity from this government, a need to come up with some answers and solutions. The Liberals came out during the election campaign with a promise to build 102,000 units. There has been no announcement from the Minister of Housing (Ms. Hošek). There has been no announcement by this government. This government has failed. It has not come forward with an answer. As part of those people who are looking for an answer, we have not seen it coming. It is time for something to happen. Those people are caught in the downturn. It is not all good for everybody. There are some who do not have a solution, and this government is not providing it to them.

Housing affordability has deteriorated and will dampen demand. The demand increases for those at the low end of the scale. Yet nothing has been coming from Ms. Hošek. Nothing has been coming from David Peterson. Nothing has been coming from Robert Nixon. These people have been given a responsibility. They have given the promise, and now they are failing to fulfil that promise.

We are increasingly concerned. Something must be done. There is still time to do it. The government has 25 months to come up with an answer, and we are not just going to sit back and watch nothing happen. We want to see something happen. As soon as there is something positive to say, we will tell the government. In the meantime, we are waiting for that answer. Do something, will you?

Mr. Speaker: I wonder if I could remind all members that when they are referring to another member in this House, they should refer to that member by riding or by ministry.

ORAL QUESTIONS

EMPLOYMENT EQUITY

Mr. B. Rae: I have a question for the Minister of Citizenship. I wonder if the minister can tell us whether he agrees with the Supreme Court of Canada that systemic discrimination requires systemic remedies.

Hon. Mr. Phillips: One of the key moves that we think should be made in the human rights commission is its ability to deal with the issue of systemic discrimination. Therefore, we would be moving on that area.

Mr. B. Rae: I am interested to hear that, because the minister's colleague the Minister of Labour (Mr. Sorbara) has been telling people that the government has no plans to bring in any

legislation with respect to employment equity or affirmative action. He has said that on several occasions. He said it in the House yesterday, when he talked exclusively of pay equity as the government's approach and said that the government had no plans to bring in any legislation with respect to affirmative action.

Is the minister telling us today that there is going to be legislation, or is he telling us that there is not going to be any legislation?

1400

Hon. Mr. Phillips: The member may be aware that this government requested a consulting firm. We asked for a consulting firm. We wanted a consulting firm to tell us how the Ontario Human Rights Commission could deal with the issue of systemic discrimination. That report was completed in the summer and we are in the process now of making some moves in the human rights commission to deal with that very issue.

On the second part of the question, we have an employment equity commitment that we made during the election. It is a commitment to introduce a program on employment equity that would start first with the public sector, move to the bodies that deal with the public sector and then move to the private sector.

So we are moving on both those fronts. One is the issue of dealing with systemic discrimination via the human rights commission. We initiated that study to deal with it. Second, as we announced during the campaign, we are moving now on the employment equity program.

Mr. B. Rae: We are aware of that report. Indeed, it would be nice if the minister would table that report and make it public so that members could see what recommendations these consultants that all of us have paid for have made and which of the various choices the consultants have put to the government—and I am sure they have put a series of choices in terms of policy—have been selected by the government.

By way of final supplementary, I wonder if I might ask the minister, since tomorrow, we understand, he is going to be making an announcement with respect to human rights, is it his intention to announce a firm date for the proclamation of those sections of the Human Rights Code dealing with the disabled that have yet to be proclaimed? If not, why not? Does he not realize that this question is very important to the disabled community? I wonder why the government has been so slow to respond on that issue.

Hon. Mr. Phillips: On a couple of points that were raised there, I have already said the two consultants' reports are a matter of public record. We asked for those reports. We wanted them to guide us. They are not private matters; they are matters of public record.

The second part of this question dealt with the proclamation. This issue, I must say, is probably my most important issue within the ministry. We are at this point spending a good deal of time to make absolutely certain that the basis on which we proclaim those regulations is right for the disabled community. We are seeking consultation with the disabled community and we are moving on it as quickly as possible. We will not announce a date for that tomorrow, other than to say we will move as quickly as we can. We are putting many resources behind it and we are committed to that in the very near future.

WORKERS' COMPENSATION

Mr. B. Rae: I have a question to the Minister of Labour. The minister was waxing—

Hon. Mr. Bradley: Eloquent?

Mr. B. Rae: No, I was going to say "thinking out loud." I think he was just waxing. He was waxing arrogant, I think.

The question I have for the minister has to do with workers' compensation pensions. He did not say anything in the House with respect to workers' compensation pensions, but he did in response to some comments made by the Canadian Federation of Independent Business, and he did have some things to say about plans the government has for changing the pension system.

When the minister says it is his intention to abolish the meat chart, I wonder if he can tell us when he plans to do this and precisely what he plans to replace it with.

Hon. Mr. Sorbara: It may be a subject of debate as to whether or not I was waxing eloquent or waxing anything else. It is interesting, though, that after my comments to the Employers' Council on Workers' Compensation, we had a question-and-answer period. One of the members of the audience stood up and said, "For God's sake, you are sounding far too much like Bob Rae." I knew at that time that my remarks must have been far from eloquent, misinterpreted or something or other.

Mr. Speaker: May we have a response to the question.

Hon. Mr. Sorbara: I have never been so complimented in all my life. I really enjoyed the comment.

In answer to the question of the Leader of the Opposition, what I said yesterday was that within the ministry we are simply at this point considering alternatives to the current system of providing compensation to those who have suffered permanent partial disability; that is, the loss of a limb or some other disability that does not permanently disable someone so that he or she cannot return to the workplace, someone who suffers a permanent partial disability.

The system has been reviewed extensively. The Leader of the Opposition knows that Paul Weiler, among his many studies done on the workers' compensation system in Ontario, has done a rather exhaustive study on permanent partial disability. I cannot tell the member now that the recommendations Weiler makes and the options he presents are going to be the ones the government is going to adopt, but certainly we will be working along those lines.

Mr. B. Rae: Along what lines? The only person to benefit from Professor Weiler's report so far is Professor Weiler. Surely we are entitled to ask, since it was on October 1, 1985, that Robert Elgie, who is now and was then the chairman of the board, said, and I am quoting, "It is our expectation that the new permanent disability rating schedule will go beyond clinical disability per se and take into account pain and suffering and the loss of enjoyment of life."

When the minister talks about abolishing the meat chart for permanent partial pensions, it is very important he be clear, because there are many injured people who listen and who read the papers and hear what he says and who want to know what he means and when he is going to do it. I would like to know what he means. Does he mean he is going to create a different way of assessing permanent pensions, but still make sure that pensions are permanent; or is it his plan to adopt Professor Weiler's approach, which is to make everything comparable to what your wages could be, and which really means you never will have a secure knowledge of what your pension is going to be?

Is it the minister's intention to move to a Weiler welfare type of scheme or is he determined to maintain permanent pensions as a feature of the workers' compensation system?

Hon. Mr. Sorbara: Those are very substantial questions. I acknowledge to my friend that, as he knows, these are very substantial questions. If we had clear and precise answers today, we would be making an announcement today about the direction we are going to take. What I can tell my friend is that we are examining a number of

different options, based on a number of different analyses, including the work Paul Weiler did. If my friend wants a very specific answer right now, I can only tell him I am sorry, the work has not been completed and it would be inappropriate for me to indicate at this time the specific direction we are going to take.

Mr. B. Rae: I have said the minister was thinking out loud. I think I was giving him the benefit of the doubt, something the Workers' Compensation Board does not do very often any more. Can the minister confirm that since he has become minister, the only change that has taken place with respect to workers' compensation pensions has been the decision by the Workers' Compensation Board to cut back on those supplements that were paid and have been paid to workers who are on permanent partial disability pension? That is the only feature of his ministry and of his administration so far. Can he confirm that?

Hon. Mr. Sorbara: The decisions the Workers' Compensation Board has taken since September 29, 1987, are a matter of public record. If the Leader of the Opposition wants to go through them one by one, I would be willing to undertake that exercise.

In respect of my comments yesterday, it was not a matter of thinking out loud. Indeed, in my remarks I did not even refer to the meat chart or anything else like that. What I said to the group of employers who were gathered for that meeting and for that conference was that the government is undertaking a number of exercises. The most pressing one in my view—referred to in the throne speech, referred to yesterday and I will refer to it again today—is the fact that the issue of a new form of compensation for those who suffer permanent partial disability is the first order of business, as far as I am concerned as Minister of Labour.

1410

TRADE WITH UNITED STATES

Mr. Brandt: My question is for the Premier. I want to bring to the attention of the Premier a rather disturbing trend that is occurring in the Ontario economy with respect to layoffs, many of which are permanent. Back in 1983, the number of layoffs in this province averaged about 5,500 for the year, and that continued on through to about the first year his government took office. In 1986, those layoffs increased to over 7,000. They now, for the first nine months of this year, are in the range of 8,500, and the trend appears to be such that we will probably

have something in the order of 10,000 layoffs in Ontario when this year has been concluded.

As the Premier is aware, two out of every five jobs in Ontario are directly dependent upon export and our international trade. Since the Premier has taken opposition to the free trade agreement that is being entered into between Canada and the United States, and since, as well, he is not overly enamoured with the General Agreement on Tariffs and Trade arrangement as it relates to a dispute settlement mechanism, could he tell us now what alternative he has for the need to continue the growth in the Ontario economy to secure the jobs which now appear to be at risk as a result of layoffs? What does the Premier intend to do?

Hon. Mr. Peterson: The quick answer is, to continue to provide the quality leadership that this government has provided in the last two years.

My honourable friend was having some difficulty in asking that question, and I understand that. Perhaps it was written by the Prime Minister, with whom he met the other night when he was briefed on the details of the trade agreement. I am sure he put that question to the Prime Minister in his private meeting the other night. He asked, "Prime Minister, what are you going to do for the layoffs that are going to be caused in this province as a direct result of your trade initiative with the United States?" I would be very interested if my friend's supplementary would tell us what the Prime Minister has in mind in that particular regard.

I want to tell my honourable friend—and I could take as much time as the Speaker will allow me—that some 300,000 jobs have been created and that we have the lowest unemployment rate in the entire country at this point in this province. I am worried about layoffs that would be caused as a direct result of the free trade agreement and I believe it will accelerate that.

My honourable friend cannot have it both ways. I think he is using some of the same economics his federal cousin is using, and they are wrong; both of them are wrong. I say that as kindly and as respectfully as I can.

I believe the trade agreement is not the solution to the economic problems in this country. We put forward at the first ministers' conference, in a very constructive way, things we believe in this province are important in terms of science, technology, training and a variety of other things that will go to the root of our competitiveness in this country.

Mr. Jackson: What did you spend on your technology fund? Was it \$100,000?

Mr. Speaker: Order. Perhaps you might wait for the supplementary.

Mr. Brandt: I am looking forward to the response from the Premier to the supplementary. Perhaps the Prime Minister had a discussion with me on the question of the trade agreement because he wanted to speak to someone from Ontario who had not made up his mind on the negative aspects of the deal before he even saw the deal. That is the difference.

The Premier recognizes full well that Ontario is dependent on its trade with the United States to the extent of 90 per cent of all our trade activities. Yet he can sit there in his place and suggest that this trade agreement is the wrong one, when he knows full well, with the omnibus bill that is before the Congress, with protectionist measures that are currently in existence in the US, that the status quo is not an option that is before us.

Mr. Speaker: Question?

Mr. Brandt: The Premier is going to have to choose between doing something or supporting—
Interjections.

Mr. Speaker: Order. Premier.

Hon. Mr. Peterson: My honourable friend accuses me of disapproving of the deal before I have seen it. My honourable friend campaigned on a platform approving of the deal before he saw it; now he tells us he has changed his mind. I have no idea where his party stands on the matter, but we do know, on the basis of the preliminary agreement, it is not in the interest, we believe, of this province or of this country. We have put forward very constructive ways, things that will address the competitive problems in this country.

My honourable friend raises the spectre of the omnibus trade bill in the US. Does he realize that this deal will not protect Canada from the results of the omnibus trade bill? Does he realize that future trade remedy legislation after January 1, 1988, in the US can still affect Canada if it is mentioned in that particular legislation?

I say to my friend as kindly as I can, and I am not sure if the Prime Minister told him this the other night, that the so-called secure access he sought in negotiating this trade deal has not been achieved. I invite my honourable friend to look at the details, because I suspect that after he studies the deal he will stand up and agree with the thoughtful members of this House who have rejected that deal as not in the national interest.

Mr. Brandt: Let me just say to the Premier of Ontario that his position is a minority position as

it relates to the premiers of Canada. More premiers agree with this deal than are in opposition to the deal, and he knows that.

Interjections.

Mr. Speaker: Order.

Mr. Brandt: Can the Premier—
Interjections.

Mr. Speaker: Order. I do not mind waiting. Final supplementary, I hope.

Mr. Brandt: I have always recognized the absolute neutrality of the chair, so I will not comment on that last remark.

Let me say to the Premier, however, by way of my final supplementary on this subject for this afternoon—

Hon. Mr. Peterson: Keep going.

Mr. Brandt: I am. I want an opportunity to debate this issue anywhere, any time with the member, because we have a Premier in this province who recognizes that 90 per cent of our trade is dependent on our activities with the US. He has a deal that he does not like and he has absolutely no options, no alternatives, no other suggestions to put forward as to what we can do to continue on, keeping that level of trade with our American trading partners.

I ask the Premier again: in the light of layoffs that have occurred in this province and in the light of the possible future occurrences that will take place with respect to additional layoffs if we get protectionism in the US, which has been suggested—

Mr. Speaker: Your question is coming, is it?

Mr. Brandt: —will the Premier indicate to this House very simply what his alternative to a free trade deal is?

Hon. Mr. Peterson: My honourable friend accuses me of being in a minority among the premiers on the question of trade and, indeed, he is right. Surely my honourable friend would understand in very personal ways the problems of being in a minority. It requires courage, and one would know and one would have to carry on with the things that one believes are important.

I remind my honourable friend that this province stood alone on the question of softwood lumber, and he would have encouraged me to stand up and capitulate. I say to my honourable friend that it was his federal cousins who negotiated probably the silliest deal in the history of our trading relationship on softwood lumber, now ensconced on a government-to-government basis for ever, it appears. That is the quality of the negotiation.

My honourable friend may have faith in the negotiating power in Ottawa; I do not. I say to him that the deal we have is worse than no deal. We were doing very well, with a trade surplus running in the \$20-billion range. I think history will say it was probably one of the worst times ever, from a strategic point of view, to enter into these negotiations.

In my view, and I will put it as mildly as I can, we have been taken to the cleaners as a country by negotiators who had a political imperative to make the deal, to shore up their flagging political popularity. I say to my honourable friend, who has the same kind of problems today that his federal leader does, cut bait before you sink with—

Mr. Speaker: Order.

1420

CHILD CARE

Mr. Brandt: My question is to the Minister of Community and Social Services.

I would just like to say to the minister as I put this question that it is interesting how the federal government negotiates at times in such a way as to win the approval of the government opposite. As an example, there are occasions when the government negotiates deals like Meech Lake that the minister's Premier (Mr. Peterson) finds to be of acceptance to this government.

There are times, as an example, when the government negotiates a deal with the provinces on day care services which, as I understand it, has also met with the approval of his government. With respect to a child care program that was announced on Monday, December 7, my understanding is that the minister intends to forward the funding to nonprofit day care services as of January 1, 1988, and that it is his further intention to provide the commercial day care sector with funding as of April 1, 1988, fully three months after he will provide the funding to the nonprofit centres. Why the delay of those three months to the commercial sector?

Hon. Mr. Sweeney: I am sure my colleague will recall the document this government tabled last June. If he has not had a chance to review it, I would suggest he read it very carefully. It says that funding for nonprofit direct grants would proceed this fiscal year. Therefore, they will begin on January 1, 1988, which is part of this fiscal year.

It says in the very next paragraph I believe, or fairly close to that, that funding in terms of direct grants for commercial centres would begin when, and only when, we had an agreement from

the federal government that we would be able to use the cost-sharing arrangements for that purpose. We do not have that arrangement now. It will not begin until April 1. At the very first opportunity when I am able to do so, as I have said I would, I will do so.

Mrs. Marland: I listened very carefully to the answer by the Minister of Community and Social Services. I am wondering if he really does realize the ramifications of the decision to allow the three-month delay. What is going to happen, quite frankly, is that people who are now employed in the public sector are going to be encouraging private sector staff to go and work for them, and obviously at higher salaries. They are going to be in a position to raise those salaries.

In a market where there is a shortage of qualified child care workers, and we know this already exists, the minister has made it possible for the nonprofit sector to entice these qualified child care workers out of the private sector jobs. For every one worker who is enticed into the nonprofit sector, eight children will be deprived of quality child care. Does the minister not realize the adverse affects this three-month delay will have on 50 per cent of the child care places in Ontario?

Hon. Mr. Sweeney: I would find it very difficult to believe that somebody would change their job for a three-month period. I have no way of knowing that, but I would find that very difficult to believe. I would put to my honourable colleague that the alternative I have is to have everyone in the province wait for those three months. That does not seem fair to me.

If I now have an agreement I can move forward on, it seems to me I should move as quickly and as expeditiously as I possibly can, where I can. That just seems to be the most reasonable solution, given the alternatives available. I personally would find it difficult to defend not flowing the money where I am able to now, and then flowing it for the commercial sectors when I am able to.

I think I am being very fair. I just do not believe people are going to change their positions for three months. I would suggest to my colleague that for a very long time this minister stood almost alone in determining that those funds would flow the way they are going to flow. There was a strong body of opinion and there continues to be a strong body of opinion that funds to the commercial sector should not flow at all, at any time. I have resisted that.

Mr. Brandt: Those guys over here are the ones saying that.

Mr. Speaker: Order. Final supplementary.

Mrs. Marland: I would like to point out to the House that the federal child care plan allows the provinces to provide operating funds to existing and future commercial child care centres. The announcement this minister made in the House on Monday stated that future commercial child care centres would not receive operating funds. From that announcement, we can see that the minister is warping the federal guidelines to suit his own political purposes. This is exactly what this party has been fearing for some months now. The Meech Lake accord, as it stands, allows the minister to tamper with federal social programs. Will the minister appear before the select committee on constitutional reform to explain the effects the accord will have on social programs in Ontario?

Hon. Mr. Sweeney: I detected two questions there and I will try to respond to them. Number one, I have made no secret whatsoever on behalf of my government that we are prepared to support those commercial centres that are in place now. I believe I said clearly—and I stand to be challenged—that regardless of what the federal government did, the new growth, the new initiatives would apply to nonprofit centres only. That was a philosophical, an ideological, a political decision made by this government. The member may or may not agree with it. That is our decision. What we asked Ottawa to do for us was to enable us to carry out that decision. They knew what it was. They have given us the support to do it.

With respect to the accord, the federal minister said clearly to every single provincial minister in this country that the Meech Lake accord does not—underline “does not”—apply to this agreement.

ENERGY FROM WASTE

Mrs. Grier: I have a question for the Minister of Energy and I am hoping to get a clear and precise answer.

Interjections.

Mr. Speaker: Order. I am waiting for the clear and precise question.

Mrs. Grier: The clear and precise question relates to a speech the minister gave last week about energy-from-waste projects. The minister told the Canadian Institute of Energy that energy-from-waste projects were just too good a deal to pass up, but of course he went on to say he

had no intention of solving one pollution problem by creating another.

I would like to ask the minister about a project that is presently being reviewed by an environmental assessment board in Brampton. The proponent is Petro-Sun, looking for an energy-from-waste project. It is being assessed on the basis of the existing air pollution regulation 308. Yet just last week the Minister of the Environment (Mr. Bradley) told the House this regulation “is outdated and provides inadequate protection for the people and the environment of Ontario.”

I would like to ask the Minister of Energy how he can reconcile his enthusiasm for energy-from-waste projects with his concern for the environment in the light of the Minister of the Environment’s acknowledgement that there are no effective air pollution regulations in this province?

Hon. Mr. Wong: The reconciliation is clear in my mind, in that from an energy standpoint we realize that of the many options this government and the people of the province have with respect to generating energy, energy from waste is one of those options. However, the environmental concerns are a part of this integrated world that we live and work in. That is one of the concerns that has to be met before we would fully endorse such a project, so much of the answer would come from my colleague and the regulations and standards that are set by his ministry.

1430

Mrs. Grier: Can I take it from the minister’s answer that he agrees with the Minister of the Environment that air pollution regulation 308 is outdated? If so, will the minister guarantee that his ministry will not fund or support any energy-from-waste projects until there is an effective air pollution regulation in place in the province?

Hon. Mr. Wong: I would definitely agree with my colleague the Minister of the Environment. I think the operative word that the member used is “effective,” and as practical people in both the energy and environmental fields, if we can find effective standards I think then we could proceed.

SOCIAL ASSISTANCE REVIEW BOARD

Mr. Runciman: I would like to take a chance and ask the Premier another question.

Mr. Breagh: Remember you believe in human rights. Be careful.

Mr. Runciman: That is right, yes.

I would like to ask the Premier about the recent appointments to the Social Assistance Review Board, and I hope in his answer he will not try to introduce red herrings the way he did in his answer last week.

The Minister of Community and Social Services (Mr. Sweeney) told the House that no patronage would be involved in that process, meaning the selection of board appointees, and that the appointments were based totally on merit. Yet at least four of the 12 recent appointments, which according to the chairman, Joanne Campbell, the Premier personally approved, are known and very active Liberals.

Will the Premier finally acknowledge that partisanship played a major role in these appointments, and can he give the House an assurance that he will restrain himself from engaging in this kind of blatant patronage in the future?

Hon. Mr. Peterson: I do not agree with my honourable friend's assessment at all. I think my honourable colleague the minister has dealt with this question that the member has asked several times now. It went through a completely objective assessment by Miss Campbell and a variety of other people. Recommendations came forward and they were approved by the cabinet, as all order-in-council appointments are. They were not altered at cabinet; they were the recommendations of the dispassionate board, and I am very comfortable with them.

Mr. Runciman: The Premier's attitude on patronage reminds me of three monkeys—see no patronage, hear no patronage, speak no patronage and, therefore, there is no patronage—but the truth is the minister's special assistant attended all final interviews. She had no legitimate right to be there and there is no way the Premier can reconcile that fact with his comments or his minister's comments.

The Ontario standing committee on the Legislative Assembly has recommended that all order-in-council appointments be subject to public scrutiny by a legislative committee, as is already done at the federal level. Is the Premier prepared—

Interjections.

Mr. Speaker: Order. Had you completed your supplementary?

Mr. Runciman: They did not give me a chance.

Mr. Speaker: I was just asking.

An hon. member: They would rather not hear it.

Mr. Runciman: I just remind the members opposite of that old saying about glass houses. They had better clean up their own act first before they start laughing.

Is the Premier prepared to let the light of day shine on all his appointments and immediately adopt this procedure in Ontario, as recommended by a committee of this House?

Hon. Mr. Peterson: I appreciate the point that the honourable member makes. I think he probably ruins his own credibility when he invokes the model of the federal government in order to assist us in this matter. I am not sure whether my friends opposite had a hand in appointments like Fednor and that kind of thing, but I think they will see that our process is very much different from that.

Interjections.

Hon. Mr. Peterson: The member for Cochrane North (Mr. Fontaine) smiles about that particular one. I cannot help him on that.

I ask my honourable friend to look at the different appointments that have been made by this government. I stand very proud of those appointments. I ask him to compare it to any other government or to any other record in this province, any one he might know personally.

I say to my honourable friend that we have made unbelievable progress in reflecting the real face of Ontario in our boards, agencies and commissions. We have appointed on the basis of merit. We have appointed them for political activity from all parties. I say to my friend who continues to root around on this particular question that I think his prodigious energy is misdirected in this case. I stand by the record of this government in terms of appointments. I think it is one that is second to none in our system.

PROPERTY TAXES

Mr. Polsinelli: I have a question of the Minister of Revenue. The minister will know that Metro council yesterday showed once again the need for direct election by abdicating its responsibility in deciding that the best way to deal with the issue of property tax reform is to do nothing. As a result of Metro council's failure to act, will the minister inform this House whether this government is prepared to act?

Hon. Mr. Grandmaitre: I think Metro had an opportunity last night to put the tax reform issue to bed and it chose otherwise. They would like to come back to council with another solution in March. I will wait until a final solution is found by Metro council.

Mr. Polsinelli: The minister will know that the provincial government in 1969 froze assessments in this province and promised there would be property tax reform. Eighteen years later, the overburdened property taxpayers in my riding, many of them seniors, are still being asked to subsidize much wealthier land owners, many of them in the west end of North York and many of them in the city of Toronto. When can we expect some leadership on this issue?

Hon. Mr. Grandmaitre: I realize that back in 1969 we took back reassessment from municipal governments and we expected municipalities to make a decision on tax reform. I am very proud to say that 76 per cent of all our municipalities in Ontario are now under section 63 or section 70. I will remind the member that Metro has a responsibility. It is their responsibility at the present time and I will await their final decision in March.

ONTARIO HYDRO

Mr. Charlton: I have a question for the Minister of Energy. The minister has commented a number of times over the course of the last couple of months about his interest in finding mechanisms to make Ontario Hydro more publicly accountable.

I raised with him last week the 17 recommendations of the select committee that were tabled in July 1986, all of which dealt with Hydro's accountability to the government, the Legislature and the public of this province, and with mechanisms to control Ontario Hydro. Recommendation 17 from the committee report says, "The Ontario Energy Board should conduct a public review of the results of Ontario Hydro's demand and supply options study."

First of all, has the minister made himself familiar with these recommendations and this specific one? Is he prepared to tell the House this afternoon that he will allow a public review of the demand-supply options study from Ontario Hydro, when it is ready, by the Ontario Energy Board?

Hon. Mr. Wong: The answer is yes, when the demand-supply options study is made available. We have examined five or six alternative vehicles through which this three-year study could be reviewed to provide proper input on the part of the public as well as government members.

1440

Mr. Charlton: I take it that the yes was for the Ontario Energy Board, but I am not quite sure whether it was for the Ontario Energy Board or

one of the five options. However, there were, as I suggested, a number of other recommendations in the select committee report which dealt with various aspects of Hydro's future direction.

Recommendation 2 suggested: "In view of the established"—I emphasize the word "established" because the committee used that word for a particular reason—"potential of other supply options and the apparent potential for pursuing demand management initiatives, no further commitment should be made for additional nuclear power stations at this time."

Will the minister assure this House that his government will not approve any further nuclear development in Ontario until the demand-supply options study has had a thorough public review?

Hon. Mr. Wong: First of all, the yes was with respect to one of the many alternatives, and we are in the process of selecting the best one.

With respect to the second question, we have to look at the long-range supply and demand picture first. I do hear the concerns on the part of people with respect to environmental matters and with respect to the nuclear option, so we will consider all the other alternatives first. When the time comes when we have to make the important decisions, we will consider all of the factors.

HEALTH SERVICES

Mr. Eves: I have a question for the Minister of Health. I presume she can listen on her way back.

Nurses employed by the Sudbury and District Health Unit have been on strike since October 27. The president of the Ontario Nurses' Association wrote to the Minister of Health on November 2, 1987, asking her to invoke subsection 82(1) of the Health Protection and Promotion Act. This section allows the minister to direct the chief medical officer of health to ensure the provision of a health service or program if the board of health is not providing that particular service or program. The nurses' association outlined several important services and programs that are not being provided. The minister has not yet responded to its letter. Will the minister invoke subsection 82(1) of the Health Protection and Promotion Act?

Hon. Mrs. Caplan: Let me say very clearly to my critic from the third party that this is a local labour issue, that I prefer and expect the local employer will exercise its responsibilities in resolving the situation as soon as possible and that the ministry is monitoring that situation closely.

Mr. Eves: All the minister has done just now, obviously, is to read an answer out of the

appropriate page in her briefing book, which she was furiously trying to find while I was reading the question. Furthermore, she did not answer the question I asked.

Interjections.

Mr. Eves: I will challenge her reading abilities—

Mr. Speaker: Order. Perhaps all honourable members would allow the member for Parry Sound to ask a supplementary.

Interjections.

Mr. Speaker: Order. I am just going to wait. Supplementary.

Mr. Eves: The Sudbury Star outlines two cases. One is the case of Mr. Dumont, who has cataracts and some serious breathing problems. He has been in hospital for two months when he should have been discharged, and he has not been discharged because the local health unit cannot provide the service. There is also the case of Mr. Brunelle, who has Alzheimer's disease, who previously was receiving home care. He is now in hospital. He cannot get out.

Those are just two examples of many cases. They are occupying beds that should not be used for elective surgery and should be used for emergency patients in the Sudbury area. The minister talks about the responsibility of the local health unit. When is this minister going to exercise her responsibility to invoke subsection 82(1) of the act for the people in the district of Sudbury?

Hon. Mrs. Caplan: One of the things my critic has mentioned is that, in fact, services are being provided by the local hospitals and in emergency situations. The ministry is monitoring this, and it is my preference and my expectation that the local authorities will assume their responsibility and resolve this issue in a locally acceptable manner.

ASSISTANCE TO FARMERS

Mr. McGuigan: I have an urgent question for the Minister of Agriculture and Food. Farmers at this time of the year—

Interjections.

Mr. McGuigan: I know the members do not care about farmers.

Farmers at this time of year are lining up their credit needs, and increasingly they are finding that bankers will not take into consideration the stabilization and deficiency payments coming from both provincial and federal governments. These payments make up about 15 per cent to 20 per cent of their gross income. Would the

minister take this up with the federal Minister of Agriculture, who hopefully would then approach the Minister of Finance and the bankers to see if they cannot correct this situation?

Hon. Mr. Riddell: I believe the concerns the honourable member has expressed were taken out of an article in Agriweek. Coincidentally, I happen to have a copy of that article. It states, "Some banks and other lenders are not currently considering government deficiency and stabilization payments in farmers' income for establishing loan repayment capacity."

I am certainly not aware that the bankers have that concern. They certainly have not expressed that concern to me. As is my custom, I will be meeting with the executive members of all the banks in the new year and I will be endeavouring to ascertain exactly what their agricultural portfolio will be for the next year or two.

I do find such behaviour somewhat contradictory, because some of these same lenders have requested that we send stabilization payments and crop insurance payments directly to them so they will not miss out on this farm income. So there is a little contradiction in what the lenders are supposedly—

Mr. Speaker: Supplementary?

Mr. McGuigan: I have been taking my information from my constituents. I have a number of farmers who are complaining about this practice, so I wish the minister would take it up, as he said, with the federal people, but also, when he meets with the bankers himself, put this to them and let us try to remove this impediment to farm financing.

Hon. Mr. Riddell: We have been trying to make headway with our federal counterpart for some period of time, but for some reason they turn a deaf ear to the concerns of the agriculture and food industry, not only in this province but in this country.

I have asked the federal minister to change the role of the Farm Credit Corp. so there will be more credit made available to the farmers to fill in the void the banks are leaving, but to this time the federal minister has refused to change the role of the Farm Credit Corp.

Yes, I can assure the honourable member I will be pursuing this matter with my federal counterpart. One of these fine times maybe he will do something for the betterment of the agriculture and food industry of this country and this province.

AFFORDABLE HOUSING

Mr. Breagh: I have a question for the Minister of Housing. Last year, her ministry

donated \$3.5 million to the firm of Huang and Danczkay under the convert-to-rent program, supposedly to provide affordable market rental units. These units are now on the market at in excess of \$1,000 a month. This surely cannot be what she meant by affordable rental accommodation. Is the minister going to try to get her \$3.5 million back from this firm?

Hon. Ms. Hošek: The project the honourable member refers to was a convert-to-rent project which was going to produce and has produced 502 housing units. The convert-to-rent program is meant to increase the supply of rental housing. Of those units, 126 or fully one quarter of those units are set aside for rent-geared-to-income, and those are indeed affordable housing units which will be there for everyone who needs help through a rental supplement to pay their rent.

1450

Mr. Breagh: I have never heard a ripoff described in quite such polite language before.

While the minister is mentioning the 25 per cent of rent-geared-to-income units that are in this building, I should mention this is a very ingenious group of folks. They have decided it is going to cost \$185 a month to park in there. How do the rent-geared-to-income folks get in the building when it becomes mandatory to pay \$185 a month for a parking space? It seems to me they are going to have a little problem getting to their subsidized units.

Hon. Ms. Hošek: I agree with the member opposite. The amount of money that was requested for the parking was not appropriate for the rent-geared-to-income people. For that reason, I have discussed this matter with the people at Huang and Danczkay and I can assure the member that the cost of parking will not stand in the way of affordability. An arrangement has been made that will make sure that will not stand in the way.

Interjections.

Mr. Speaker: Order. We will just wait a moment.

TRANSMISSION LINES

Mr. Sterling: Yesterday I asked the Minister of Energy some questions in relation to the decision by the cabinet to turn down the appeal by the residents with regard to a corridor going through a very highly urbanized area of the city of Kanata.

I want to draw his attention to the consolidated hearings board decision dealing with the southwestern Ontario main power lines from Bruce to

Barrie, Bruce to Nanticoke and Bruce to London. On page 15 of that report, recommendation 22, it says, "A property owner whose residence is within 75 metres of the edge of a right of way for either a 500-kilovolt or 230-kilovolt transmission line shall have the option of having either the said residence relocated at the expense of the proponent"—which is Ontario Hydro—"or having the entire property purchased by it."

Will the minister give the same opportunity to the residents of Kanata in eastern Ontario that all of the people along the southwestern route were given?

Hon. Mr. Wong: That is a very good question the honourable member has asked. I think the important thing is that we be fair in this whole process. The joint board reviewed all of the information, as I indicated yesterday. This was an independent board decision and it made its decision with respect to the route and with respect to the mitigation measures. That is what it decided; that is what it wanted to deal with. For whatever reasons it considered, this was not a part of its decision.

Mr. Sterling: In the southwestern Ontario decision, we are dealing not with a couple of residences or a couple of farm houses; we are dealing with thousands and thousands of properties. With regard to the Kanata situation, we are talking about 80 houses of people who are concerned about the installation of twin 500-kilovolt towers. Why should the people of eastern Ontario be treated any differently from the people of southwestern Ontario, in spite of whoever decided it? Ontario Hydro must be seen to be consistent in what it does and how it deals with the people of Ontario. Why should the people of eastern Ontario be treated differently from the people of southwestern Ontario?

Hon. Mr. Wong: People should be treated fairly. I would like to point out to the honourable member, although he probably does know, that the right of way, the transmission corridor, was established in the Ottawa West area in 1971, well before any houses had been situated there. The people who have acquired and purchased houses and live there came in after that point in time.

JOHN DAVID CARNIE

Mr. Faubert: My question is to the Minister of Financial Institutions. It has been reported that J. D. Carnie, former president of the Argosy Financial Group of Canada, has just returned not only to the business world but to the world of finance. Can the minister report to this House on

exactly what financial activities Mr. Carnie has involved himself in?

Hon. R. F. Nixon: Since the matter was raised publicly in the newspapers and elsewhere a few days ago, I have consulted with the officials in the Ministry of Financial Institutions. Their review of the activity of the man under consideration is that he is not undertaking activities that come under the purview of the ministry, by inspection or any other type of control.

Mr. Faubert: Can the Minister of Financial Institutions advise what steps can be taken or are being taken to protect public investors, by assuring that Mr. Carnie can no longer participate in the securities investment market now or in the future?

Hon. R. F. Nixon: The person in question, I understand, is dealing in real estate. While the usual requirements of the statutes of Canada and the province apply, through the usual enforcement processes, the Ministry of Financial Institutions has no specific responsibility for what he is undertaking.

CANADIAN SECURITY INTELLIGENCE SERVICE

Mr. Hampton: My question is for the Premier. Last Thursday in this House, the Premier answered a question I had previously asked regarding agreements that ministries of his government may have reached with the Canadian Security Intelligence Service. The Premier stated at that time, "There have been negotiations concluded...They deal with police forces and others, between the ministries directly. They basically involve law enforcement and exchange of information."

I want to focus on the Premier's reference to "ministries directly" and to "exchange of information." Which ministries of the government have concluded agreements with CSIS to provide CSIS with information from their files and what is the general nature of the information that is being provided?

Hon. Mr. Peterson: If I may, I think the Solicitor General could give the honourable member a very full answer on this, if he does not mind.

Hon. Mrs. Smith: There is some confusion existing here in the questioner's mind. We have to regard the role of the ministry as a ministry per se and then as the ministry which is in charge of the Ontario Provincial Police.

As a ministry per se we have no agreement with CSIS whatsoever. But CSIS has concluded

agreements with the Ontario Provincial Police and with the municipal police forces of Ontario and these agreements stand completed.

Mr. Hampton: I believe at the time when the Premier answered my question he stated "ministries." I will state my question over again. What other ministries of the government have concluded agreements with CSIS to provide it with information and what is the nature of that information? Or, what other agencies of the government are providing CSIS with information?

Hon. Mrs. Smith: The only agreements that exist are between the police forces of Ontario and CSIS, and these agreements are in the nature of an exchange of information which is useful in the safety and protection of the people of Ontario.

CONTINUING EDUCATION

Mr. Jackson: My question is to the Minister of Education. Today there was a press conference in this building, and the final report to the minister of the Ontario Association for Continuing Education's task force on the implications of Bill 30 on adult and continuing education was tabled. We understand the minister has had that report in his possession for two weeks.

As he knows, his predecessor initiated funding and made a promise in this Legislature on November 26, 1987. I would like to quote briefly: "For 1987, that fixed dollar amount will be \$1,900. The grant is designed to cover the full cost of providing continuing education programs and will not require any taxes from local ratepayers."

This report today confirms that the full costs for 1988 will be \$3,075. When will the Minister of Education honour the promise his predecessor made? What funding will he provide? What are the 1988 dollars he will provide?

Mr. Speaker: Order. That is four questions.

Hon. Mr. Ward: As the member has indicated, the ministry did fund studies, not only in conjunction with the task force on continuing education but, in addition, with the Ontario Association of Education Administration Officials and Professor Lawton at the Ontario Institute of Studies in Education to ascertain the actual cost of continuing education in Ontario.

1500

I want to assure the member that the government is strongly committed to the provision of continuing education in Ontario. We will assess those reports to the minister and we will make a

determination very early in the new year as to the level of funding that will be forthcoming.

REPORTS

STANDING COMMITTEE ON REGULATIONS AND PRIVATE BILLS

Mr. Fleet from the standing committee on regulations and private bills presented the following report and moved its adoption:

Your committee begs to report the following bills, as amended:

Bill Pr14, An Act respecting York Fire & Casualty Insurance Company;

Bill Pr71, An Act respecting Conrad Grebel College.

Your committee would recommend that the fees, less the actual cost of printing, be remitted on Bill Pr71, An Act respecting Conrad Grebel College.

Motion agreed to.

Mr. Fleet: I might also draw to the attention of the House the historic occasion to be attached to this bill because it was today in committee that in respect of Pr14, which involves York Fire & Casualty Insurance Co., we witnessed the surely amazing event that the insurance company was favoured by the support of the member for Welland-Thorold (Mr. Swart), as he had the good humour to point out at that time.

Mr. Sterling: I would like to give notice under rule 30(a) of the standing orders of dissatisfaction with the response of the Minister of Energy (Mr. Wong) with regard to—

Mr. Speaker: I think the member understands what the next procedure will be. We just were not quite finished with the previous item we were dealing with.

STANDING COMMITTEE ON ADMINISTRATION OF JUSTICE

Mr. Callahan from the standing committee on administration of justice reported the following resolution:

That supply in the following amounts and to defray the expenses of the Ministry of Treasury and Economics be granted to Her Majesty for the fiscal year ending March 31, 1988:

Ministry administration program, \$5,323,400; Treasury program, \$3,691,000; budget and intergovernmental finance policy program, \$4,902,200; and economic policy program, \$133,720,000.

INTRODUCTION OF BILLS

MINISTRY OF AGRICULTURE AND FOOD STATUTE LAW AMENDMENT ACT

Hon. Mr. Riddell moved first reading of Bill 65, An Act to amend certain Acts administered by the Ministry of Agriculture and Food.

Motion agreed to.

Mr. Speaker: Are there explanations?

Hon. Mr. Riddell: There will be no further explanation on that bill, as I gave a statement earlier on.

AGRICULTURAL AND HORTICULTURAL ORGANIZATIONS ACT

Hon. Mr. Riddell moved first reading of Bill 66, An Act respecting Agricultural and Horticultural Organizations.

Motion agreed to.

Hon. Mr. Riddell: The intent of this act is to combine and replace three existing acts. They are the Agricultural Societies Act, the Horticultural Societies Act and the Agricultural Associations Act. The proposed act will streamline and update legislation affecting agricultural and horticultural societies and provincially based agricultural associations.

The act will designate corporate status for organizations, define objectives for the societies and allow financial assistance programs to be maintained under the regulations. The drafting of this act was done in full consultation with the affected organizations and their provincial associations.

KINGSWAY GENERAL INSURANCE COMPANY ACT

Mr. Cousens moved first reading of Bill Pr25, An Act respecting Kingsway General Insurance Company.

Motion agreed to.

ORDERS OF THE DAY

ONTARIO UNCONDITIONAL GRANTS AMENDMENT ACT

Hon. Mr. Eakins moved second reading of Bill 46, An Act to amend the Ontario Unconditional Grants Act.

Hon. Mr. Eakins: The legislation provides for three amendments to the Ontario Unconditional Grants Act. Two of the three amendments are housekeeping and, therefore, I believe they do not require extensive discussion.

The first housekeeping amendment simply removes a redundant reference to a grant rate of

\$47 for the per household police grant. The rate has been prescribed by regulation at \$50 per household for the past three years and the removal of the reference to the lower rate will eliminate possible confusion.

The other housekeeping amendment removes a redundant reference to the matter in which the district welfare boards and homes for the aged boards share the cost of their services among the participating municipalities. As with the first amendment, the cost sharing is prescribed by regulation.

The third amendment ensures that only the more needy regional municipalities and counties receive a resource equalization grant. Under the previous system, a county or regional municipality automatically received a share of the grant if any of the constituent municipalities qualified for the grant. This allowed some counties and regions with substantial resources to receive the grant irrespective of need.

These changes will not affect the grants that are payable to any municipality, district welfare board or homes for the aged board.

Mr. Breagh: We will oppose this bill. I was tempted, in looking over the bill, to get out all the old speeches made by the now Treasurer (Mr. R. F. Nixon) on how evil it was for a government to do this very thing; that is, to set grants to municipalities by means of regulation. The argument is a very straightforward one. That takes away all of the legislative power of this chamber. Each and every time we provide for the setting of grant levels by means of a government regulation, it really means the Legislature itself has given up on all its responsibility to oversee this grant structure.

I was tempted to read all those old, boring speeches made by the Treasurer so often and so regularly in here, but I will not do it because I have a heavy committee schedule this afternoon. I do want to put on the record some concerns I have. I think the best way to do that is simply to read the explanatory notes that accompany this bill:

“Section 1: The effect of this amendment is to make the grant per household payable to an area municipality to be prescribed only by regulation. At present, the amount payable is set out in the act but can be varied by regulation.”

I have no idea what that means, and neither does anybody else in here.

“Section 2: The amendments to section 8 of the act alter the formula for the resource equalization grant for upper-tier municipalities so that it is now based on equalized assessment per house-

hold for the whole upper-tier municipality. Currently, it is based on the grants to the lower-tier municipalities.”

I have some faint idea of what is being talked about there, but it is only faint.

1510

“Section 3. The effect of the amendments to section 9 of the act is that the equalized assessment of the lower-tier municipality will no longer be increased by an amount that would have produced the resource equalization grant.”

That is really a crapshoot at work there, and there is no other way to describe that.

“Section 4. This amendment is consequential to the changes made in section 8 of the act.”

Those explanatory notes really do explain the process, in their own wonderful way. The process is one which no one in Ontario really understands, and that includes people in municipal treasuries all across Ontario. What they do understand is that there is a kind of basic structure for grants for municipal government in Ontario. But the reality also is that there is a begging process under way and a very strong influence of the political process as well. That remains as true today as it ever was, despite the fact that when they were in opposition members of this current government were absolutely vicious in describing this exact same process done by the previous government.

I think the unfortunate fact of life is that, having now formed a government, they realize there are just a lot of political opportunities to be exploited in this field. It serves the government's purpose to have a very complicated, almost incomprehensible process at work. It means that municipal governments will continue to have to come and beg at Queen's Park for additional funding. It means that they will not know in advance what their funding from the province will be for the forthcoming years.

It is a longstanding problem in Ontario municipal politics that although when the municipal council is putting its submissions to the province it is expected to know its financial needs four or five years ahead of time, it does not work the other way around. There is no clear message given to municipalities as to what their funding in total will be for next year. Instead, in its place is this kind of hodgepodge of rather interpretive freelancing that goes on, and each and every year there will continue to be a succession of delegations arriving in the minister's office here at Queen's Park begging for funding for various purposes.

We know that funding for municipalities is a difficult, complicated process not clearly understood by anyone, with good reason: it is not that they lack the intelligence to understand it; it is really that it is designed to be incomprehensible; it is designed to be one which cannot be readily understood; it is designed to be one which puts the municipalities across Ontario in a mendicant position. They have to beg for money. It is designed to keep them in the dark. They cannot be told what they will be getting in next year's allocations from the province. There is a bewildering array of funding formulas put in place, all of which have an impact on municipal governments.

I believe many of the speeches made by the former opposition member, now Treasurer, were true, and they are still true today despite the fact that he is in government. There is an alarming trend in funding bills coming forward from the government now that follow this pattern, where it is all done by government regulation.

What that really means is that, for all intents and purposes, the Legislature of Ontario has lost control of this process. It will be done solely by people within the ministries setting regulations independently of this place, and we have no mechanism to explore what all of this really means. We do have a standing committee on regulations and private bills, but it is solely restricted to looking at whether the regulations are legal, not at the content of the regulations themselves.

For those reasons, I recommended to my caucus colleagues, and they agreed, that we cannot support this particular bill. Further than that, I find the trend of government legislation which does this by means of regulation to be a disturbing one. In fact, it flies directly against the stated intentions of our Treasurer. The Treasurer has said repeatedly that he wants more openness in the process. He wants to notify everybody in Ontario of the broad, general financial terms of Ontario. He does so by means of tabling, six or eight months in advance, discussion papers in here. He does that by means of announcing what some of the grants will be for municipalities now, as opposed to the previous practice of doing that well after they had struck their budgets.

I thought we were on the way to a bit of a conversion here, frankly, and I welcomed his stance to table major financial statements and to refer them to a committee of the Legislature. I thought that was a good move. I welcomed him having his ministers stand up and tell us now what the grants will be for next spring.

That is why I regret so deeply the practice that is now becoming just imbued in every one of the ministries of doing this by means of regulation, because it thwarts the obvious intent of the government to provide more information to the people of Ontario and a clear, reasoned response to municipalities in Ontario. I think he does us all a great disservice when we revert back to the previous practice and in fact make it just a little bit worse.

I am not arguing that the actual legislation which this is amending was perfect—it certainly was not—and I am not arguing that the previous government did not from time to time make changes in regulations—it did—and I am not arguing that this is totally a bad thing, but I am arguing as strenuously as I can that this funding mechanism ought to be clear. It ought to be understandable. It ought not to require municipalities to get a general statement of what the unconditional grants program will be and then come begging to meet their specific needs, and those needs should not be addressed by means of government regulations.

I search for the answers. I thought in fact we had turned this process around somewhat. I thought in fact we had a Treasurer who was committed to giving as much accurate, clear, straightforward information to municipalities as he could.

That is why I am somewhat angered today that we are debating a bill which will remove—not a dramatic removal at all; I am not making that argument—the legislative amounts and replace them totally with amounts set by regulation. It is simply that we, as members of the assembly, have no effective means of finding out what that will be or having an impact on it. Neither members of the assembly nor legislative committees themselves can make changes in these regulations. We can address whether the regulation is legal or not, but that is not the point of the exercise.

So I oppose this. My caucus opposes it. I am not suggesting this ought to be a big front-line battle, but inch by inch I see a pattern forming, and that is a government that was committed to more openness and more advance notice and more stability in municipal financing retreating from that.

I know there is a tremendous tendency to kind of do it the easy way, which is what is being proposed this afternoon in this bill. That is to simply wait until, at its leisure, the government is allowed to set these funding formulas by means of a regulation, and it does so in a very

complicated way. I believe that really is the traditional, complicated, incomprehensible system of funding municipalities that we have always had.

I think the government does us all a great disservice when it brings forward bills of this kind, and we have no intention of supporting this one.

Mr. McCague: Just on the comments of the member for Oshawa (Mr. Breagh), I did take the opportunity to read some of the old debates and I must congratulate the member for Oshawa: he is consistent over many years in his approach to this bill, although I am a little surprised that he would compliment the Liberal Party on its approach to it. On November 26, 1984, the member for Waterloo North (Mr. Epp) said these words: "We support the amendment. It is in keeping with what we would like to see anyway, so I will leave it at that." That does not prove to me that the Liberal Party was vehemently opposed to the bill that was introduced in those days.

Second, to the member for Oshawa, as the member for Leeds-Grenville (Mr. Runciman) pointed out to his leader yesterday, if there was something they did not like why did they not have it in the accord or why did they not do it when there were so many years of minority government in the last 12?

Mr. Fleet: I would like to direct a comment to the member for Oshawa with respect to regulations and the purview of authority for the standing committee on regulations and private bills to deal with these matters. I would point out that it has gone on for many years in this place and that none of the parties, frankly, put a lot of importance on the review of regulations.

As far as I can determine as the current chairman of that committee, there has not been time spent there. Even today, as I attempt to persuade the House leader—and I presume the other House leaders have been approached—to get time to meet between sessions to deal with the reform of regulations, there is still no great push, and if there is any seriousness in the point of view expressed by the member for Oshawa, then surely there would be greater consistency coming out of the decision-making process that all three House leaders are in.

1520

I would certainly be one to say that reform might well be in order, but I do not think the criticism expressed now is really terribly well placed. Clearly, in my view—and I would urge other members in this vein—this bill should

proceed. It is a sound bill in the circumstances, and the larger issue of reform of regulations is quite a legitimate one. I hope we will see the member for Oshawa, possibly, eagerly making comments or a presentation to the standing committee on regulations and private bills. I would personally welcome that.

Mr. Neumann: I listened with interest to the comments of the member for Oshawa indicating that he cannot support these particular amendments. I would like to inform him—perhaps he does not know—that there was full consultation between the Ministry of Municipal Affairs and the Association of Municipalities of Ontario on these matters and that the evolutionary changes that have been occurring in the unconditional grant structure have had the full support of that association, its executive and its fiscal committee.

While not 100 per cent of their recommendations have been incorporated, the province has gone a considerable way towards implementing the recommendations suggested by that association, which represents a large majority of the 839 municipalities in this province. I would like to know whether the member was aware that this direction on unconditional grants has widespread support among the official representatives of municipalities.

Mr. Dietsch: I would like to point out to the member for Oshawa that I had the distinct pleasure on behalf of the Association of Municipalities of Ontario, in my capacity as a vice-president on that board and in my capacity as a fiscal policy representative, to chair the unconditional grants committee. I can assure the member that this particular group did have extensive consultation with the Ministry of Municipal Affairs. There was a very strong feeling of co-operation by the members on the committee in terms of the members representing other municipalities across this province.

Since my election to this House, I have discussed at length with the members of the fiscal policy committee and with members of the association of municipalities and have in fact been assured by them that the modifications that are being made to the unconditional grants program are positive steps. They wholeheartedly support these presentations, and I would urge that the members of this House carry on in a very expedient way the passage of this particular bill.

Mr. Breagh: I appreciate all the free advice I am getting here this afternoon. I note fervour, and I will remind all of the delegations who come in from municipalities across Ontario of all the

wonderful things that were said this afternoon here about how much consultation went on and how all the municipalities are going to be real happy this year and will not have any financial problems. I will also introduce them to some of the new members here, and they may have some comments they want to make to them as to just exactly how happy they are.

I note we are beginning to discover that there is a regulations committee; that is for a start. The next thing is that members might read the rule book and find out just exactly what the regulations committee is entitled to do, and that might explain why there is such a lack of fervour. There are not many people here who want to spend a whole lot of time sitting in a committee deciding whether a regulation is legal or not.

If members really want to get people excited, if they really want to do something of a positive nature in here, why do they not convince their caucus colleagues to adopt some of the committee recommendations that we put in here more than two years ago, which would give something like a regulations committee the power actually to do something. Then they might find the House leaders a little more interested in trying to do something with that committee.

I was interested, too, in the lecture on why we did not put this in the accord. The truth is, it is because I have in the middle of my research here a copy of a bill known as Bill 28, put forward by the then Minister of Municipal Affairs and Housing, Claude Bennett, and you cannot tell a whit of difference between this bill proposed by a Tory and this bill proposed by a Liberal. It just goes to show that it is 44 years of the same malarkey.

Mr. McCague: I am not sure that the argument put forth just at the last moment by the member for Oshawa would convince me that this is a good reason not to put it in the accord. However, he did not succeed in doing it.

Mr. Breagh: That's why you are where you are now.

Mr. McCague: That may well be, but it does not explain why I have been over there and the member has always been over here.

Mr. Breagh: Yes, it does.

Mr. McCague: It is nice to move around a little.

The minister will not be surprised to know that we will be supporting this bill. The point the member for Oshawa makes is a valid point. The chairman of the standing committee on regulations and private bills is attempting to get some

input on regulations. The member for Oshawa is correct that unless the input is meaningful and not an exercise in which we are simply looking at the legal feasibility of them, it will be meaningless. The member is quite correct in that.

There are some winners and losers in this bill, as I guess can be said every year. Just for the record—I know the minister would want me to do this—I can put on the record the counties that are proposed to lose. Any members who happen to represent an area I mention will be interested in this. The losers will be the counties of Oxford, Brant, Dufferin, Elgin, Essex, Huron, Kent, Lambton, Middlesex, Perth, Stormont, Dundas and Glengarry and Wellington. Those may be the delegations the minister will be seeing in the next few months. However, we will be supporting this bill.

Hon. Mr. Eakins: I appreciate the comments of my critic the member for Oshawa and the support of my critic the member for Simcoe West (Mr. McCague). I simply want to point out to those who have raised certain issues that the grant rates are already determined by regulation. A reference was made to the municipalities not being fully aware. I want to tell members that the municipalities are fully informed of the grant details each year and are very familiar with the details.

The member for Oshawa said many of the municipalities will come begging for funding. Through the third amendment, the eligibility for the resource equalization grant is intended for municipalities with weak tax bases and it is paid to those municipalities whose equalized assessment is below the provincial standard of some \$57,000 per household. This is going to ensure that many of the municipalities which in the past have not received their fair share will now be able to do so. This amendment is with the endorsement and full support of the Association of Municipalities of Ontario, as recommended to the minister in October 1986.

Some reference was made by my critic the member for Simcoe West to some of those who are losers. I point out that while there are some 19 losers, there are also 19 winners. If some of the losers want to come and see me, I hope the 19 winners will also come along and say that they are delighted with the change here today.

The Acting Speaker (Miss Roberts): Mr. Eakins has moved second reading of Bill 46.

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Motion agreed to.

Bill ordered for third reading.

1530

EMPLOYMENT STANDARDS AMENDMENT ACT

Hon. Mr. Sorbara moved second reading of Bill 51, An Act to amend the Employment Standards Act.

Hon. Mr. Sorbara: The bill we are debating now in second reading is a short and rather simple piece of legislation. I just want to point out to you and to the other members of this House that for me it is a rather historic occasion in that it is my first opportunity to shepherd a piece of legislation through this House as Minister of Labour and, indeed, in my former capacity as Minister of Colleges and Universities and Skills Development.

There is a saying that good things come in small packages. I hope my colleagues in this House will agree that Bill 51, this amendment to the Employment Standards Act, is a sound, good piece of legislation that is timely and appropriate.

Just to point out some of the provisions within the bill: the bill is, as I said, a simple piece of legislation. It does two things.

First of all, it provides employees a clear right to refuse any work that is in contravention of subsection 2(2) of the Retail Business Holidays Act.

Second, and perhaps more important, it provides clear remedies for employees against any reprisals by employers who are opening premises in contravention of the Retail Business Holidays Act. It provides a remedy, in fact, of reinstatement of any employee who is dismissed for exercising that right. In addition, it provides compensation in lieu of or along with reinstatement up to a maximum of some \$4,000.

This is, as I said in a statement a few days ago in the House, an interim measure. The Solicitor General (Mrs. Smith) has announced that changes will be made in the area of Sunday shopping to provide for municipal option. In the meantime, the Retail Business Holidays Act remains in effect.

Store owners who violate that act are obviously subject to the full rigour of the law. We decided as a matter of policy, however, that it was important as well to make a clear statutory statement that employers would not be in a position to strong-arm employees to work on Sundays in contravention of that act.

I anticipate that the act will be passed quickly and readily by the House. I note, indeed, that

when this bill was presented to the last parliament just about this time one year ago, members of the then third party, members now of the official opposition, although they had perhaps some concerns and comments, had stated on the record and in Hansard that they felt this would be a useful bill.

I noted as well that during discussions of my statement in the House a few days ago on the approach of the Ministry of Labour on this issue, members of the third party, the Progressive Conservative Party, indicated that they would be supporting the bill.

The impact of the bill is simple. It strengthens the rights of retail workers and gives them a right to continue to have a day of rest on Sunday where the stores that they work in are prohibited from opening. In addition, it provides an expeditious remedy, a resolution that can be dealt with quickly and expeditiously by an employment standards officer. A complaint that there has been a violation of the act can be taken to an employment standards officer and that officer can order reinstatement and/or compensation. If the employer wants to dispute the order of reinstatement or compensation, he or she will have to act quickly in that there is a period of 15 days in which an appeal can be made to the director.

Not all retail workers are in a situation that is covered by this bill. Members will know that, under the Retail Business Holidays Act, a number of stores are permitted to open. Obviously, the workers in that sector are not affected by the bill; but a very substantial number of workers are covered by the provisions of the Retail Business Holidays Act, and we found it appropriate, particularly at this time of year, to make a clear statement, to say to the employers of this world covered by that act that they must respect the right of their employees simply to respect the law and not to be coerced or strong-armed into working in businesses that are required by statute to remain closed on that day.

I simply close by pointing out that section 5 of the bill provides that it is deemed to come into force on December 2. I look forward to comments from members of the official opposition and the third party on the bill. I reiterate that I hope it is a piece of legislation that can be supported by all members of this House.

Mr. Mackenzie: The stated explanatory note in the bill, "The purpose of the bill is to protect employees who refuse to contravene subsection 2(2) of the Retail Business Holidays Act,"

sounds good. We do not see any particular harm in the bill, and this caucus will support it.

But let me tell the minister that I really wonder how much he is learning in terms of the labour field. He did not really think he was selling us on the kind of protection he is talking about for workers in this particular bill, I hope, because he is pretty naïve if he thinks it is going to offer very much protection for retail workers in Ontario.

I do not know anybody in the field, I do not know any of the unions involved—and this is a field also, I must point out to the minister, that is largely nonunionized and they do not even have the backup of a union—I do not know of one of the unions I have talked to that has any confidence that this will give them, for this particular day, any real protection.

The move to part-time work and the destabilization of the full-time workforce in the retail field has become a fact of life, and a lot of it is the pressure that is brought on employees. The move from full-time employees to part-time employees and the move to “You come in on our terms”—and if you are in the ministry very long or if you spend any time at all talking to workers in this trade, you are soon going to find out that the hours are being cut all over the place or they are being told, “You have got so many hours to come in on this day.” They are changing the days.

The number of full-time workers in most of these establishments is going down drastically and the number of part-time workers is going up. There is the threat to benefits under certain hours in this field, and there is even a fear that is substantial in terms of what you might call management staff—they are usually not that well paid—or managers of operations or managers of departments, that they have not got any protection either.

I ask the minister, how many workers in this field does he really think are going to say, when they are asked to work on the Sunday, “No, we won’t”? There are a few dedicated people who will not, and some of them may get away with it. But there are just as many who, if they take that action, are going to feel that it means their hours—that they are the next ones to go on part-time; or if they are there already, their hours are going to be cut and they do not have the protection. You make that stick when it is not done too openly: just all of a sudden, you find that the next week you are working a day or two less. That is happening on a regular basis in this particular trade.

I guess what I am saying to this minister as clearly as I can is that it is an almost useless bill.

It seems to me that even one of his colleagues, the Solicitor General, in April of 1987, in the committee examining this issue, said, “Any law protecting the workers”—her quote—“is to some extent meaningless.” That is one of the minister’s own colleagues.

1540

I hope the minister understands that, having got themselves into a bit of a jackpot for something which apparently was planned to begin with, or something they intended to do but certainly were not making public in the last election, and that is the whole issue of opening up the store hours or tossing it over to local option—I do not want to get into that debate now; I think the move is ridiculous and I think it is a real copout—but having done that, the government has opened up workers to this additional exploitation.

Just saying that you have the right to refuse—as I say once again, in a field that is largely unorganized—to work on a Sunday, in an industry that has been moving rapidly into part-time work and all of the other things that destabilize a full-time workforce, is giving them literally nothing. It is even more so where you happen to be management or a department manager, and even more so where you do not have a union; and the majority of these stores do not have a union. We saw what workers at Eaton’s went through in their desperate attempts to organize and the kind of pressure that was exerted on them and some of the results of that since.

I am simply telling the minister: the words sound nice; it is not worth the powder to blow it to hell.

Mr. Harris: I do want to say a few words on Bill 51 and really echo some of the comments that have been made by the critic for the official opposition. Indeed, the bill, if not totally useless, is almost useless. We indicated in our party that we would support it in the off chance that it may be slightly better than totally useless. We see no reason to oppose the bill for the sake of opposing it, but it does give rise to the ridiculous situation that we find ourselves in.

I was surprised that the minister mentioned that this is a bill that was before us at this time last year and that all parties indicated they would pass it last year. Why has it been sitting for another year? Why is it that this government waits until a crisis is on the doorstep before it acts with something?

It was introduced a year ago. All parties agreed a year ago we would pass it. We could have done it in a very thoughtful and timely and unemotion-

al way last January, February, March, April, May, June, July, September, October. Once you get into November, the crisis starts to hit, and this government does not anticipate very well. This problem started in a major way, I think the minister will recall, in 1985—in a minor way in 1984—but in 1985 the pressure really heated up for Boxing Day and for Sunday shopping as you got close to Christmas.

He will recall that our party raised questions in 1985, asking the government what it was going to do: was it prepared to act, was it prepared to look in a meaningful way at what should be done here? The government did nothing. As a result of that, our party set up a task force on its own that started to explore the whole issue. Then finally we ended up with an all-party committee; and of course as members know, the all-party committee recommendations, which were supported by the Solicitor General at the time, have been rejected by the Premier (Mr. Peterson) and by Mr. Goldfarb as not being what the people want at this particular time. It might be right, it might make sense, it might be the best thing to do, but Goldfarb says, "If you want to get re-elected and stay popular, don't do it," so that is the way this government acts. I understand that, but I wanted to relay a little bit of the circumstances in there as well.

We have a couple of amendments from our party that we plan to move to this bill, and we would ask the minister and all members of the House to take a look at them. I want to tell members why we are moving a couple of amendments that we think may make the bill, perhaps, a little more meaningful if still a little silly. We still do not think there is any meaningful way you are going to be able to come back on an employer who insists that a worker must work.

Second, I guess what concerns me is that the impetus for this bill, that it is coming at this time, is the old December 27. The minister is shaking his head. It sat on the books for a year, and all of a sudden the proverbial something hit the fan, and then the minister changed her mind and she said this. Then, of course, the Attorney General (Mr. Scott) said: "I am above the law. The law may be on the books, but I will tell you in advance whether we are going to proceed."

At the same time we had this bill, so it is presumably to cover December 27. I think that was the intent and my amendment will make it the intent, because it does absolutely nothing for the workers who have to work on December 27.

That whole area appears to be a nebulous area of what is legal and what is not.

The government is doing nothing to address managers. It is doing nothing to address stores that are in malls, regardless of whether it is a chain with a manager or an independent store in the mall. They are given no choice under this but to open on Sunday, December 27, if the mall says they must.

I would like to tell the minister the response from an employee, Mrs. Cooper, who works at a store in North Bay Mall in North Bay, who has called me two or three times on this in the process of garnering petitions protesting what is going on with the government and the way the government has been handling this affair. We have had several discussions.

When she first called me, she told me she is an employee working at a small shop in a mall, and said: "We had all planned three days off: Friday, Saturday, Sunday, the 25th, 26th and 27th. Now we are starting to hear—" We get the news a day late, I guess, in North Bay, and there were some mixed signals, although I do not think anybody really understood what was going on in Toronto, either. "We heard notice of this bill and the government statements," she said, and I said, "My understanding is that the government plans to introduce a bill that will allow employees the option whether they work on December 27."

Obviously, I was in error on that. I had to explain to her and apologize to her that that was, in fact, not the case. She got a rude shock when she called the employment standards branch at Queen's Park this morning and called me right after. Here is the answer she got. She explained the situation. She said: "I do not want to work on Sunday, the 27th. I understand the government is introducing a bill that will protect me and allow me to refuse to work on the 27th without any fear of reprisal." The employment standards officer she talked to said: "No, sorry, that is not the case. Because you have been working in a store that can legally open on Sunday"—I may be paraphrasing, but clearly these words would not be misunderstood—"David Peterson has said it is OK to open on the Sunday. Therefore, the employment standards branch cannot act on your behalf, and it will not apply."

Mr. Haggerty: You're stretching it, Mike.

Mr. Harris: I am telling the honourable member what was said, and I am telling him what the lady said to me. If he is calling Mrs. Cooper a liar, then I would like that on the record. He should be man enough to stand up and say it.

Mr. Haggerty: I said you're stretching it.

Mr. Harris: That is calling me, and Mrs. Cooper by inference, a liar. That is what was said.

1550

I looked through the act. I thought: "Somebody is wrong. This employment standards officer is wrong." But then when I read the act, I said: "No; in fact, he is right." The only protection offered there is going to be determined on whether that store is illegally open.

The Attorney General has said: "I cannot win a case on that. The law is a joke. It is not enforceable. I cannot win a case." One of the most arrogant lawyers I know in this whole province says, "I am not capable of winning a case." How is anybody else going to win a case?

Second, he said it was not fair. I do not know whether it is fair or not, but nobody is going to be able to proceed with this and prove whether this store is legally open on Sunday or not. That is the problem. We are talking about a store under 5,000 feet that meets the conditions we are dealing with in the act. Because that store is closed on Saturday, as it has to be, it can legally open on Sunday. Or can it? Nobody seems sure.

It is for that reason that I will be moving an amendment, which I will circulate. I do not have legislative counsel's authority that it is actually the way it should be drafted legally, but I will give members the gist of it so they can think about it. When we get into committee on this bill, I will have it in a formal way.

"That section 1 of the bill be amended by adding thereto the following clause to section 39e immediately following 'Act': 'or on any Sunday which is the day after a statutory holiday.'"

If members truly want to provide protection for workers on December 27, if the intent is that it be optional whether they work, then I would suggest that my amendment will indeed do that, as it will do it in the future whenever Sunday follows a statutory holiday like Boxing Day. That is the purpose of the amendment. It was my understanding that was the intent of the government. It certainly is my understanding of what workers felt they were getting from this government, because December 27 is the day when stores may be opening legally or illegally; who knows?

I think that will also clarify the problem the employment standards branch and the officers have. They are saying, "We cannot do anything because they are open legally." The Premier said it is OK and the Attorney General said: "It is OK to be open. We will not prosecute." How then

can that particular day, the 27th, be considered anything other than a day in which businesses can all open? I throw that out to members.

I want to serve notice while we are in second reading of the bill that this is the amendment we intend to move and we would like to hear some reaction from the minister as to whether he feels that does in fact meet the intent of what people in this province understood.

Second, I want to touch briefly on section 39f and what protection it really provides. It says: "Where an employer dismisses an employee who refuses any work that is a contravention of subsection 2(2) of the Retail Business Holidays Act." As I understand this, this would apply on any Sunday that a store opens illegally—which is not the 27th, as the minister will acknowledge, because the Premier said it is OK.

Interjection.

Mr. Harris: That is what the ministry, the minister's experts say; maybe the minister has a different opinion.

I think my amendment would tighten that up and cover the 27th as well. All this is saying is that if he dismisses an employee, there is going to be an action. Let us say I am an employee in a store and I say, "I'm sorry, when I took this job it was clearly understood that there would be no Sunday openings; I understood the law in Ontario at the time that I would not be required to work on Sunday and I do not wish to work on Sunday and—" after members accept my amendment, "I do not wish to work on Sunday, December 27." The only thing this bill covers is if an employer says, "You are fired." It applies if on a Sunday an employee says that and the employer says, "If you're not going to work this Sunday, I'm sorry, you're fired." There is no protection from any other sanction. As has been pointed out several times, since a lot of them are part-time people, nonunion people for whom there is no protection, there is no sanction against any other action.

I do not know what it is that the minister is trying to cover here. My understanding is that the intent is to provide some protection, to live up to his stated intent that it will be a voluntary day. So I will be moving another amendment that I think helps to clarify that a little more. Again, I will have to get the wording clarified, and I will circulate it to everybody, but let me read what I have drafted in my unprofessional, nonlawyer way:

"I move that section 39f of the act, as set out in section 1 of the bill, be struck out and the following substituted therefor: 'Where a employer dismisses, reduces working hours or takes

other disciplinary action against an employee who exercises his rights under section 39e, an employment standards officer may order the employer to reinstate in employment or to compensate the employee in lieu of reinstatement for loss of earnings’”—and it carries on.

I think that amendment, although not perfect—I do not think we are going to get a perfect piece of legislation; we are dealing with a rather ridiculous situation—will send out a signal to employers that more accurately reflects what I think the government is trying to do here. The government, I believe, is trying to say that if an employer wants to open on a Sunday it is illegal for him to open on, no employee should be disadvantaged and be forced to work that day, it should be a voluntary option.

If that is the intent, I would think that the minister may consider accepting that amendment, which mentions something a little more than just outright firing of the employee. That is not going to happen. What will happen is you reduce the hours or you bring somebody else on and you have to give him more hours. Let us face it: two or three weeks or whatever it is later, all of a sudden that employee may no longer be employed.

I also want to say that I do not think we are talking about the majority of situations. I want to get this on the record as well. It may be peripheral to the bill, but I do not want my comments, and the amendments I am moving and our party on this bill, to relay the impression that we are talking about the majority of the employers and employees or, in fact, that we are even talking about a significant percentage. But there will be some.

It would be my view that most employers and most employees will be able to work out this problem among themselves. But we know there will be some, which is what we are trying to protect against. Particularly, there will be problems in malls, where indeed the store owner himself does not want to open and will be forced to open by his contract with the mall. There will be problems with some managers in some of those stores, in the chain stores in the malls. It is the subtle problem, which none of us is going to be able to address in any way, of potential mall managers and what impact that may have on those in a decision-making capacity who indicate for religious reasons or family reasons or whatever reasons that they do not want to work on that day.

We will support the bill. I reiterate that we do not think it is a particularly effective piece of

legislation. I would ask the minister and the member for Hamilton East (Mr. Mackenzie) to consider the intent of the amendments that I am proposing be put into this bill. As I have said, they have not been through legislative counsel; they are my own jottings and musings. I would be interested in the minister’s thoughts on those two amendments.

1600

Mr. Mackenzie: Very briefly, I have no real difficulty with the amendments as I heard them from the member and I have no difficulty in supporting them. I just do not think the bill is worth either time or effort in terms of trying to improve it.

Hon. Mr. Sorbara: I have enjoyed, really, listening to the debate and the comments of the critic from the official opposition and the critic from the Progressive Conservative Party. I do want to say just a few things about each of those comments and comment on the amendments that the member for Nipissing (Mr. Harris) has proposed.

First of all, the comments made by the member for Hamilton East: in many respects I appreciate where he is coming from in part, particularly his opening remarks talking about the changing nature of the workplace and some of the challenges facing retail workers and the changing dynamic in retailing operations, which often can be extremely hard.

We see a lot of additional part-time workers. My goodness, sometimes if you visit, particularly a regional mall on a Thursday night or a Friday night or a Saturday, you would think the entire place is being run by teenagers whose average age is about 17 or 18. Most of those young people are working part-time—they are also full-time students—and one wonders the degree to which this is generally of benefit to our young people.

If I can paraphrase his remarks, if he does not mind, he also mentioned in many instances the lack of bargaining power that some retail—and other workers, of course—in our society have.

I recall it was not too many days ago that the same member was insisting during the course of question period that I, as the Minister of Labour, simply ensure that workers in an industrial environment who have a right to refuse to work are allowed to exercise that right and that a clear message come out from the government that that right could be exercised in those circumstances—a simple right to refuse work where an employee has a bona fide concern for his own health and safety. That matter was resolved, I think even to

the satisfaction of my friend the member for Hamilton East.

I am not proposing within this bill to solve all of the problems of all of the workers that my friend the member from Hamilton East has referred to during his remarks, but I do regret the fact that it was one year ago in this House that the same member, looking at the same piece of legislation, said in statements to this House that he thought the bill was a useful bill. I think he would have agreed at that time as well that it did not do all of the things that he would have liked to have seen done, that there are other things that could be done and that there are other things that need to be done.

We need to do more—I think he and I agree about that—but I think it is a little bit of a sad commentary that because his party does not agree with the government's position on changing the dynamic of Sunday shopping, he decides that a bill he considered to be useful a year ago is today somehow, as he said, almost a useless bill. I think he said, "Not worth the powder to blow it to hell."

Is that the message he is sending out to the workers who will be afforded protection under this bill? I do not think so. I think that is the wrong message. If the member for Hamilton East were to rethink and reflect a little bit on the message he would want to send out to the workers who are given additional protection by this bill, I think he might want to say that he and his party expect that the employers in the retail sector, the employers of the province, will respect the Retail Business Holidays Act and will ensure that when the act says their stores are not to be open, they are not opened. Virtually all the employers and owners of those stores do respect that bill. I think the member for Nipissing made comments to that effect and I endorse them.

Where there is abuse, I think he would want to send out the message that he is not entirely satisfied with what the government has done, and from my perspective I told him in my statement in the House a few days ago that we will be looking into enhancing the protection of workers who may be affected by a change in Sunday shopping, but I think he would want to send out the message that surely this degree of protection is appropriate at this time.

That brings me to the remarks made by the member for Nipissing. I was glad to hear from him, as a critic for the party, that his party was going to be supportive of the bill. I will discuss the amendments he is proposing in just a moment or two. He said that workers would not be taking

advantage of this bill. I suggest to him that workers clearly will be able to take advantage of this bill because it provides a simple and clear remedy.

He suggested there was some confusion as to the application of the bill, particularly in respect of December 27, which is the Sunday following Boxing Day. I do not think there is any confusion. If I can just clarify for him and for the members of this House what the regime is, it is this: this bill applies where retail businesses would not be permitted to be open under the Retail Business Holidays Act. If a premises is permitted by law to be open on December 27, this bill does not have any effect. If a business premises, a retail operation, is not permitted to be open under the Retail Business Holidays Act, then this act applies. There are certain businesses that are permitted under law to be open on Sunday, December 27.

My friend the member for Nipissing says there is some confusion, but there is no confusion. Certain stores, he will know, will be able to take advantage under the law—a loophole, some would call it—of remaining closed on Boxing Day, Saturday, December 26, and then as a result of that will be permitted under the law to remain open on Sunday, December 27. Under those circumstances, Bill 51 does not apply and for that reason I must tell him that I am not able to support his first amendment.

Finally, he proposes an amendment to broaden the remedy and circumstances under which the remedies provided in section 39f of the act would be applicable. I understand the reason he has proposed that amendment. He is suggesting, in short, that it is not just dismissal that might be the kind of reprisal an employer might take. Although I know his intentions are good, I think the principles of this act are directed specifically at ensuring that an employee who might otherwise risk losing his or her job as a result of a violation of the Retail Business Holidays Act ought not to be put in that situation.

The primary premise of the act and the primary objective of the act is to protect against dismissal and to provide quick, fair and easy remedies for employees to exercise their right to refuse to work on Sunday, and at the same time have the remedies available under the Employment Standards Act and quickly get back to work.

Although I understand and sympathize with the thinking and principles behind the amendments that are being proposed, I must tell the member that in committee of the whole our government is not prepared to accept that.

Motion agreed to.

Bill ordered for committee of the whole House.

1610

House in committee of the whole.

EMPLOYMENT STANDARDS AMENDMENT ACT

Consideration of Bill 51, An Act to amend the Employment Standards Act.

Mr. Harris: I point out to the government House leader, who does the notices, orders of the day and what not, that in order for this order to go into committee of the whole to be in order, it should have said "second reading of Bill 51 and committee of the whole as required." However, we will give unanimous consent to proceed without any notification that we were going to go there.

On section 1:

Mr. Chairman: Mr. Harris moves that section 1 of the bill be amended by adding the following clause to section 39e, immediately following the word "act," to read "or on any Sunday which is the day after a statutory holiday."

Mr. Harris: The reason I am moving this amendment is to meet the intent of what the public of Ontario understood the government was trying to do, and that was to protect workers or make it voluntary for workers who will have to go in and work on the Sunday following Christmas Day and Boxing Day.

Retail workers who work in those stores did not anticipate until very recently that their stores would be open and that they would be required to work on that Sunday. I do not know whether it was three or four weeks ago that some stores actually took a look at the situation and said, "Gee, if we have to close on Saturday because it is Boxing Day, we will also count that 'having to close' as being 'wanting to close' and on that basis we will get around the Retail Business Holidays Act and go ahead and open on the Sunday."

Really, the only problem that causes is that some stores can open and some cannot. The reality of Boxing Day sales is that whenever Boxing Day sales come, it is the biggest shopping day of the year. So if, in fact, all the stores in Ontario could agree that maybe it makes some sense for family and for other reasons that they not be open either Saturday, the day after Christmas, or Sunday, and in fact they will all open Monday, they can all have their boomer of a

Boxing Day sale then and it will all be on the same day.

This is a situation that really arises only once every seven years, I guess, when Christmas comes on a Friday, Boxing Day on a Saturday, and then on the Sunday, through this technicality, they can open. I think the minister called it a loophole, so to speak. I would have preferred if the government had just said: "It is a loophole. It exists there. We are having difficulty with this whole Sunday shopping issue. We are really not sure how we are going to address it." I would say they have dragged around for two years, but I would not expect the government to say that. It is just to say, "We are really going to have a serious look at it next year, so this does not happen every November and December and every Christmas."

If they would just say—and we would help you pass a simple piece of legislation—that no store will be allowed to open in Ontario on December 27, that would have really solved the problem. It still could. If the government wants to bring it in later today or tomorrow, I would give unanimous consent for that as well, because I really think that reflects the feeling of what we in Ontario would like to see happen over this. Every seven years you get one three-day period. It does not appear that it is going to happen.

My little amendment at least extends this little bit of protection, that has been described as pretty minimal by anybody who will be affected by it and certainly by both opposition parties. My amendment will allow those employees who do not want to work on December 27, regardless of what store they work in, whether it is a big store or a little store, to have protection. The Attorney General (Mr. Scott) has said it is ridiculous that through this loophole big stores are going to be treated differently than little stores. I guess I am saying it is ridiculous that employees who work in little stores are going to be treated differently than employees who work in big stores.

This amendment would kick in once every seven years. In theory, it kicks in this year. That is all I am trying to cover, because I am confident that if this government does not solve it in the next four years, there will be a new one that will do it before seven years come up and it will not be a problem.

That is the intent of the amendment. I do not think it is out of line with what would be fair. As the Attorney General has said, if it is fair to allow the big stores to open with the little ones, then I think it is fair to protect the employees of the little stores the same way the big ones will be protected.

Mr. Chairman: Do other members wish to participate in the debate?

Mr. Mackenzie: I probably would not have if it had not been for some of the closing remarks of the Minister of Labour (Mr. Sorbara); that is, his inference or plea, whatever it was, not to send out a false message to workers in the province of Ontario. I trust he will include in that admonition his own Solicitor General (Mrs. Smith), who made the comment I referred to, that it is to some extent a meaningless action to try to protect workers. I was a little stronger, and I feel a little stronger, about it. That is why I said it the way I did to him.

I do not think I am sending out a wrong message to workers in the province of Ontario. I think I am sending out the message that it is time honesty in this province demands—workers do not feel they have always got the straight message when it comes to what protection they thought they had under much of our legislation. I think safety and health was probably the classic example. There is a real cynicism. If the minister does not realize it I suspect in the first couple of delegations from the trade union movement, he will find out there is a real cynicism about the intent to enforce an act or what protection is actually there in legislation.

1620

I think it is time we just tell it the way it is when we see something wrong with legislation. If the minister was going to make those kinds of comments stick or try to make them stick, then he should be telling us why we are not looking at things that would have really had some effect in this situation. They were in a couple of the questions he was asked in the House, at least one of which I noticed one reporter in the *Toronto Star* picked up in a column recently. If I can quote them, it is three very short paragraphs:

“Retail workers need protection against exploitation once Sunday openings are allowed, but in all consistency they cannot be protected against Sunday work itself.

“First”—and she names the minister—“Sorbara should amend the Employment Standards Act stipulation that employers do not have to pay overtime until after 44 hours’ work to reduce it to 40 hours, or better, 35 hours.

“He should make overtime voluntary, not compulsory, and he should cancel the special permits that his ministry has granted the retail industry, which allows stores to work employees an extra 12 hours above the legal maximum of an eight-hour day and a 48-hour week.”

I think that would have begun to give us some protection for workers in the situation we are talking about, and it is a point we have been trying to make in this House for a long time. Passing the kind of bill that the minister has before us now really is not going to give them the protection, given the state of the industry. That is simply the point I am making, and I do not believe we should pussyfoot around it and tell them we think we have given them a big package when it is just not going to provide that kind of protection.

Hon. Mr. Sorbara: Just to respond very briefly, I am aware of and obviously have read the same column that my friend the member for Hamilton East (Mr. Mackenzie) read. I simply say to him that when I referred in my statement the other day to the fact that I would be introducing Bill 51, I said at that time and I say to him now, it is an interim measure.

The member for Nipissing (Mr. Harris) said: “This thing has been going on since 1984, 1985. Why now? Why are we doing it now?” The answer to that question is fairly simple and straightforward. Our government has made an announcement that it intends to bring about a new regime in respect of Sunday shopping, which would entail, I presume, some amendments to the Retail Business Holidays Act. There might have been a sense within the retail businesses of the province that was some sort of signal to open up in this rather busy shopping time of year, so it was all the more imperative to take an interim step now to provide enhanced protection for workers—perhaps far more so than in 1984, 1985 or 1986.

I simply say, particularly to my friend the member for Hamilton East, that I acknowledge to him that this is an interim measure. I acknowledge that the nature of protection to retail workers has not been altered so as to grab headlines around the world, but he did say a year ago it was a useful piece of legislation because of changes contemplated in the province. It is even more imperative and more useful now, and I just asked him to send out the signal to those who are in his constituency, even if he wants to condemn the government for not going as far as he would have wanted, that there is some protection and that if an employee is dismissed as a result of his or her refusal to work, an attempt should be made to utilize this protection. Our employment standards officers understand what this means and understand the extent to which protection is provided there.

He and I are going to discuss, I imagine over the next months, the kinds of other reforms to the Employment Standards Act we may want to bring in, including revisions that arise from Arthur Donner's work, but I simply say to him again, this is an interim measure; it applies to certain facilities, I tell my friend the member for Nipissing, on December 27; and it applies to all workers right up until the time amendments are made to the Retail Business Holidays Act and should be supported.

Motion negatived.

Mr. Harris: I was intrigued with the comments from both the minister and the member for Hamilton East. However, neither one of them talked about the amendment. Actually, I think the amendment really made a considerable amount of sense. It followed from what the Attorney General had said, that it does not make sense that one store can open and another cannot because of a technicality. I do not understand why the same logic is not acceptable to the government, that some employees on December 27 will be protected and will not have to work, but the majority who work in the stores under 5,000 feet have no choice and will have to work on December 27. It seems silly to me and I do not think that was the intention.

For the minister to say there is no confusion out there, he does not live in the real world. There is confusion right in here. There is confusion among a lot of members. There is massive confusion out there on section 39f, about which we are talking right now. The confusion there is unbelievable because the impression—actually, I had better move it.

Interjection.

Mr. Harris: Nobody else spoke to the thing I was talking about. In all my many years of experience in fighting on behalf of the workers of Ontario in my Labour critic role, I have never seen a situation where speakers did not address the topic.

I move that section 1 of the bill be amended by striking out section 39f and inserting in lieu—

Wait a second. I have the official copies now. They have just arrived. Are there any changes on it? It has changed?

Mr. Chairman: Will you please read it and I will compare it to what I have.

Mr. Harris: OK; here I come. I have only one copy. If I read it, I will give it to you right away.

Mr. Chairman: Mr. Harris moves that section 39f of the act as set out in section 1 of the

bill be struck out and the following substituted therefor:

“Where an employer dismisses, reduces the hours of work or otherwise disciplines an employee who refuses any work that the employee has the right to refuse under section 39e, an employment standards officer may order the employer to reinstate in employment the employee concerned, with or without compensation, to compensate the employee for lost hours, to take or refrain from such action as is necessary in order to constitute compliance with this part, or to compensate the employee in lieu of reinstatement for loss of earnings or other employment benefits in an amount not exceeding \$4,000 that may be assessed by the employment standards officer against the employer.”

Mr. Harris: Had the Orders and Notices paper indicated that we would be doing committee of the whole House today, I would have had the amendments ready. As the government House leader really did not plan very well for today and it was with unanimous consent that we are proceeding in committee, then I hope you will appreciate why it took me a few minutes longer to get those amendments properly drafted.

This amendment is designed to strengthen—

Hon. Mr. Kerrio: Hurry up, Mike.

Mr. Harris: I am not going anywhere. I have three more bills here to do, so it does not matter to me which one I do it on.

It is designed to strengthen, in a very modest way, the very modest sanction that is already in this bill. I believe it meets the intent of what is intended by the government. I believe the message the government wants to send out is that no employee should be disadvantaged in his or her employment if he or she does not want to work on a Sunday when it is illegal, in effect, to be open.

1630

That question of interpretation will be a difficult one for those large stores. I doubt that any court in the land, after the statement of the Attorney General, would uphold that it was actually illegal for that store to open. However, even if that is the case, this will be the intention on December 27, and it will stand up, I believe, on all other Sundays where it is normally illegal for a store to be open.

Instead of saying the only sanction in this bill is that if somebody loses his job if he says, “I am sorry, pal, I am not going to work on the 27th at Eaton's—“ Well, Eaton's does not have to worry. Enlightened company that it is, it has decided not

to open on the 27th, but there are some other large ones. If the employee says, "Listen, I am sorry. I do not believe in working Sunday. Until the Attorney General adjudicated the law and took it into his own hands and said, 'Go ahead and break it; I will not prosecute,' I had no reason ever to think I would have to work on December 27;" the only sanction in this piece of legislation is if one is fired.

Hon. Mr. Sorbara: Or dismissed.

Mr. Harris: Or dismissed, right.

Obviously, once employers realize they are not going to be able to dismiss somebody without redress, what else can they do? They can reduce the hours of work. They can just not call him back in quite so often. They can wait until a week later when he is a minute late and fire him then. Really, there are too many ways if somebody is going to be unscrupulous. I said earlier in my remarks on second reading that I do not think there are many unscrupulous employers, but there are some.

What I am proposing here is basically what is in effect as far as dismissal, where there would be some redress; but here, if hours are reduced or other sanction is taken against that employee then there would be some redress as well.

I do not think that is an unreasonable amendment. I think it would be the government's intention that if an employer did take some other form of action against an employee who refused to work on the 27th or on an illegal Sunday, it would not want the employer to do that and it would want some form of redress. It is far from perfect—the bill itself is far from perfect—but I think it does strengthen the bill in a small way, and I would urge members of this committee to accept the amendment.

Mr. Chairman: Would the minister wish to respond?

Hon. Mr. Sorbara: I responded to the proposal for the amendment when we were discussing the bill on second reading. I simply want to reiterate that I understand where my friend the member for Nipissing is coming from. I think also he did a marvellous job at drafting. The legislative counsel has not had to improve on it too much. His first amendment was not quite as effective. In fact, if he looks at his first amendment, it would have created a broad right to refuse for anyone who was required to work on any Sunday, no matter whether it was a retail operation or otherwise.

This amendment that the member is proposing goes well beyond the original intention of the bill. The original intention of the bill was to

ensure that there was a right for reinstatement. "Reinstatement" is really a meaningless word if there has not been dismissal, so although I know where he is coming from, I simply inform him that we are not prepared to support that amendment.

Mr. Mackenzie: Speaking to the amendment that is before us, I will support it.

As I said in the earlier comments, the second amendment makes more sense and is more important than the first amendment, specifically because the member has taken a look at the fact that it is a question not just of dismissal but of reduced hours. That is usually what happens. I know people who have had their hours cut so drastically because they have had disputes with their employers that they finally had to quit. It was not worth it for one or two days' work a week in what they were doing.

If this amendment was carried, they would have the right to some protection, for whatever the bill is worth, if that was the line. That is the most likely line that a not-so-sympathetic employer is going to take. I think the minister, by his very statement that he is not prepared to go this extra step, gives us a good indication of just what his bill is worth.

Mr. Chairman: Does the minister wish to respond? Do other members wish to comment?

Mr. Harris: I am disappointed in the minister's response. I agree that it does indicate that he is not particularly serious. He should understand, after not having accepted the first amendment, that all we are talking about are stores that are open illegally, against the law. All we are talking about is employees' rights on a Sunday, on a family day off or on a Sabbath. The store is open illegally and is not supposed to open. It is against the law.

I am surprised that the minister is not willing to be a little bit stronger in protection of rights for those workers. I am also a little surprised and alarmed that everybody liked this amendment better than the first. I was prouder of the first amendment. I just want to be on record with that.

Mr. Chairman: Is it the pleasure of the House that Mr. Harris's motion carry?

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion, the nays have it.

Motion negatived.

Section 1 agreed to.

Sections 2 to 6, inclusive, agreed to.

Title agreed to.

Bill ordered to be reported.

On motion by Hon. Mr. Conway, the committee reported one bill without amendment.

RACE TRACKS TAX ACT

Hon. Mr. Grandmaître moved second reading of Bill 19, An Act to revise the Race Tracks Tax Act.

Hon. Mr. Grandmaître: The bill redefines the application of the racetracks tax to keep up with the changes that the federal authorities have made in the parimutuel system in Ontario and across Canada. The present act levies the tax on the holder of a winning ticket and assumes that the bet and the race take place at the same Ontario race track. However, the parimutuel system now also permits bets to be placed on races that are run elsewhere in Ontario or outside Canada.

To simplify the application of tax to these bets, the proposed act will impose racetracks tax on the person who places the bet and will tax bets placed in Ontario regardless of where the race is actually held. The tax rates will remain the same as under the current act.

Ms. Bryden: This bill appears to be a complete rewrite of the Race Tracks Tax Act, which dates back presumably to the time when the tax was imposed in Ontario in 1965. Bill 19 before us is a reintroduction of Bill 2, November 1986, and Bill 84, June 1987, which indicates that this revision of the act was not exactly a high priority for the Liberal government.

1640

In passing, I might say I am disappointed that it does not include my private member's bill, Bill 12, which would ban Sunday racing at Greenwood Raceway and would change the makeup of the Ontario Racing Commission and make it more representative of nonracing interests and more responsive to the concerns of the residents. However, since this does not seem to be within the purview of this bill, I hope the government will consider the matters in my Bill 12 and the lack of democracy in the operation of the Ontario Racing Commission, which the residents have constantly pointed out, and that this will be dealt with by additional government legislation in this field.

The objective of the bill, as the minister has told us, is to tighten up procedures for collecting the parimutuel tax so that no penny or loonie is lost in the process. Naturally, we would support that kind of tightening up, but I hope that perhaps it might also be accompanied by savings in

administration costs in collection of the race-tracks tax.

I understand that since the federal government also collects a tax—although the racetrack owner may remit it to the Ontario government, which remits it to Ottawa—there are inspectors on the racetracks from the federal government, from the provincial government and from the Ministry of Agriculture and Food. It seems to me that this many bureaucrats might be able to work in closer co-operation to ensure their collection of tax proceeds as it should, whether we need that kind of collection process or whether there can be some streamlining.

The minister tells us that the updating of procedures was long overdue, and I hope that no revenue loss has been suffered by the delay in tightening up procedures. Perhaps he can enlighten us on that.

One interesting change, as he mentioned, is that the tax is now imposed on the person who places the bet. Before it was imposed on every holder of a winning ticket on a bet at a race meet. The tax was collected by the person holding the race meet, acting as agent for the provincial Treasurer and deducting the total amount of the tax from the total amount wagered. In both cases, whether the tax was on the holder of the winning ticket or, as now, on the person who places the bet, the same amount of money was collected.

The tax was nine per cent on a triactor bet and seven per cent on other bets. It is calculated by reference to the gross amount bet. This is why there is no difference in the revenue received under the two systems. As the minister pointed out, if a person places a bet at Greenwood on a race at Mohawk Raceway, it is more difficult to calculate and collect the tax if it is just on the winning ticket. That is a useful change.

The change in collection methods was also necessary because of the extension of betting to intertrack events. That meant, of course, that the holder of a winning ticket and the operator of the race might be at different tracks and in different jurisdictions. Intertrack betting started in Ontario in 1980 and, interestingly enough, the racetrack tax has been collected since its inception despite dubious legality. The new forms of betting, the triactors, the separate pool and other new forms, also require specific mention in the law to ensure that collection of taxes on them was not challenged.

Under the new law, I understand the tax could be collected even on races in foreign jurisdictions if betting occurred in Ontario on those races. It could also apply to offtrack betting. However,

federal permission is required before these kinds of activities are legal in Ontario. Therefore, the fact that the collection procedure could collect such taxes is still not going to permit extension of betting to those activities without federal approval.

I feel that the extension of betting opportunities is not the way we should be going in this province. Racetrack betting has been increasing at a substantial rate year after year, and the province also operates six lotteries. Some will say that we have a super lottery or casino in this province in the stock market. Its recent performance would seem to indicate that it, too, is a form of gambling. I would hope the ministry would not apply to the federal government for the extension of the betting to offshore racing or to offtrack betting.

The question of how racetrack revenues are spent is another matter we should consider before we add to the tax. However, I think that should be the subject of the budget debate, where we consider the overall allocation of revenues and see that they fit in with the budgetary plan of the government and are not earmarked for specific activities.

We are prepared to support this bill in the interests of making sure that the entire amount that is owing to the province is collected in an efficient way. Perhaps some modernization of the collection methods is possible, but I think we should look carefully at where the revenue goes and should not consider extensions of the opportunities for racetrack betting without bringing it to this House and discussing the whole question of whether we should be relying as much on betting and lotteries for taxes or working on the principle that taxes should be paid according to ability to pay and according to the kind of programs and priorities that we want to put into effect through the budget.

Hon. Mr. Grandmaître: The previous speaker, the member for Beaches-Woodbine, has just given us a lesson in horse races. I have known her for about three years now and she has been trying to get amendments, especially with the parking situation around her home. I know she is dead against Sunday racing, but the amendments, the changes brought about by this bill, do not address those problems.

1650

This bill really complies with or reacts to the federal Department of Agriculture, and I can assure the member for Beaches-Woodbine that no taxes have been lost, I can assure her of that.

We will continue to improve the system as the Department of Agriculture requires us to do.

Let me assure the member we will continue to do our job to supervise what goes on at these tracks and outside those tracks. I want to thank her for her support. She attended my briefing, and I have learned a few things from her about horse races and I want to thank her very much.

Ms. Bryden: Madam Speaker, I wish to comment on the comments.

The Acting Speaker (Miss Roberts): Under standing order 60, there are no comments allowed after the minister.

Motion agreed to.

Bill ordered for third reading.

EMPLOYEE SHARE OWNERSHIP PLAN ACT

Hon. Mr. Grandmaître moved second reading of Bill 20, An Act to provide an Incentive to Ontario Employees of Small and Medium Sized Corporations to Purchase Newly Issued Shares of their Employer Corporation.

Hon. Mr. Grandmaître: This is not a new bill. It came before us under Bill 210, Bill 11 and now Bill 20. What this bill is all about is to provide an Employee Share Ownership Plan Act, 1987. It is designed to implement a program first proposed by the Treasurer (Mr. R. F. Nixon) in his 1986 Ontario budget.

The Ontario employee share ownership plan will provide grants to employees who purchase shares in their employer corporation under an employee share ownership plan that has been registered by the Ministry of Revenue. The grant to employees is equal to 15 per cent of the purchase price of the shares to a maximum grant amount of \$300 with respect to shares purchased in any one calendar year. Grants are also available to corporations and to employee groups to offset a portion of the cost they incur in implementing a share ownership plan.

In the case of an employee group, the grant is equal to 50 per cent of eligible costs incurred in negotiating or evaluating a plan to a maximum of \$5,000. For a corporation, the grant is one third of eligible costs incurred in establishing a plan with a \$10,000 grant limit.

Mr. Runciman: I wonder whether the minister could indicate if the government has any firm idea of what the program might cost on an annual basis.

Hon. Mr. Grandmaître: I am told the program would cost between \$500,000 and \$600,000 annually.

Ms. Bryden: As the minister mentioned, this bill also has been around a long time and has gone through various incarnations. The Treasurer's budget in 1986 was the first one. This is the third time this bill has been introduced in the House following that budget. Once again, it appears either that the government is not very serious about the idea or that it keeps looking at it and trying to decide whether it is a good idea or not.

To me, it looks rather like one of the half-baked ideas that became part of the Liberal election platform, and the fact that it has never been dealt with or debated in the House indicates that it really has not had a thorough examination. But it became an election promise without that examination. That is why I say it is half-baked.

When you look at the terms of it, you will find it does not achieve the objectives which the notes indicate are the objectives of the bill. Those objectives are, first, to promote an enhanced environment of co-operation and participation in the workplace by employers and employees and, second, to provide a new source of equity capital for small and medium-sized businesses in Ontario.

We have looked at this bill very carefully and have come to the conclusion that it does neither of those things. In fact, it appears to be an attempt to put in what might be called profit-sharing or incentive to invest in the company as a substitute for a trade union or progressive labour relations between the company and the workers.

If a company decides it wants to participate in this, would the workers be pressured into investing in their company or would they be considered not to have faith in the company and perhaps not be as well regarded for promotions if they refused to participate in the program?

It is also telling the workers that this is an investment that may be a good investment for them without giving the workers the chance to decide where they want to put their investment dollars. It really tells them that this may be a good, safe investment, whereas most investment counsellors would say you should have a balanced portfolio.

To pressure workers into putting whatever savings they have into the company stock is to ask them to have an unbalanced portfolio, and then it may be that the investment is a double jeopardy for them. If the company should go bankrupt, not only do the workers lose their jobs but also they lose their investments in the company.

I think the bill would do the opposite of promoting an enhanced environment of co-

operation and participation in the workplace by employers and employees. I submit that there are far better ways of promoting enhanced co-operation in the workplace, such as the development of systems of giving the employees more say in decision-making, giving employees the opportunity to actually share in profits and giving them the opportunity, as a collective group in a trade union, to participate in the decision-making and the voting of the shares. Those things are all lacking in the bill.

As far as providing a new source of equity capital for small and medium-sized businesses in Ontario, we really should be providing all sorts of sources of equity capital for such businesses, but this is providing a source only to those who are willing to participate in this plan. It certainly will not answer the needs of most small businesses that have much greater needs for easy access to equity capital, rather than just getting it from their own employees.

1700

There are also problems with the bill as to whether it really does cover just small businesses. It says their assets may not exceed \$50 million in the previous year to be eligible. Of the Financial Post's list of the largest 500 companies in Canada, only 430 have total assets greater than \$50 million. That would mean there are 70 of the largest 500 companies that would qualify.

The corporation may lose its eligibility when both gross revenues and assets exceed \$75 million or its salaries and wages in Ontario fall below 25 per cent. This means that a corporation in this scheme may lose its eligibility if there is any change in its gross revenue and assets, which means the employees have started investing in it and then the corporation is no longer eligible to receive the employees' investments.

I notice too that the legislation will be deemed to have come into force on January 1, 1987. I think this is an extremely bad principle to have in this kind of legislation. It is saying that for the income tax year 1987, which is practically past, employees who have invested in shares of a company, or companies that come into this plan and have received investments in the past year, may benefit from the grant. It is a retroactive benefit for which the terms and conditions had not been set by this Legislature for that year. It may be that the terms and conditions for 1988 that would come out if the legislation should pass—which I hope it will not—might be quite different.

I think it is a very bad principle to permit this House to pass legislation which would already be

almost a year out of date or behind the effective date. That clause in the bill should certainly be struck. I intend to move that it be changed to January 1, 1988.

To give a little background which our researchers have dug up for us about this kind of investment, which is known as an ESOP, an employee share ownership plan, government-supported ESOPs were first introduced in the United States in 1974. However, in the United States the tax incentive is directed to the employer, whereas in Ontario the financial incentive is provided to the employee.

Alberta, Nova Scotia, Quebec and Saskatchewan currently have stock savings plans in place. These plans provide tax credits or tax deductions to individuals who purchase shares in eligible corporations. They are not specifically designated for employees of corporations but for the population as a whole. In fact, in Saskatchewan, employees are specifically excluded from a credit on purchase of shares of their employer.

This indicates that the other plans in other parts of Canada are quite different from this plan and it is obvious that the government does not seem to have taken any of the parts of those acts into account. I am not suggesting they should, but our plan is quite different from what is in any of the other provinces.

In Alberta and Saskatchewan, companies with up to \$500 million in assets are eligible investments, provided they are incorporated in Canada and 25 per cent of their wages and salaries are paid in their respective province. In Quebec, individuals who purchase shares of Bell Canada and the National Bank have been eligible for tax deductions. So one can see that in Alberta and Saskatchewan it is not small business they are trying to aid; they are trying to encourage investment by the general population. Now, that may be a laudable objective, but this bill will not do that.

One would also wonder whether this kind of incentive can be justified under tax reform, which we are supposed to be getting shortly from the federal government. It is giving an additional incentive to a very small group of employees whose companies become eligible and whose companies decide to participate in the plan. It is, in fact, a highly discriminatory tax benefit.

I had thought that the purposes of tax reform were to make our tax system neutral as between taxpayers and not to build in additional tax credits or tax refunds, which is what this amounts to. It is a straight cash grant from the Minister of Revenue (Mr. Grandmaître). I think it is highly

vulnerable from the point of view of being discriminatory as between employees who happen to be eligible or not eligible and companies who happen to decide to go into the plan. It is also not the kind of incentive for investment that we are really looking for, because it is not helping small business and it is not really encouraging employees to develop a balanced portfolio.

We do support the idea of providing new sources of equity capital for small and medium-sized businesses in Ontario, but the ESOP bill does not achieve that and does not meet this objective. ESOPs, in fact, are a concept based on the inaccurate assumption that economic coercion is necessary in order to get workers to do their job and be productive. It is like some of the old piecework rates or profit-sharing, which depend on the employees reaching a certain level of productivity.

In fact, productivity is often a result of management processes such as production quotas and lack of quality control, or the result of inadequate health and safety protection, or job insecurity due to insensitive corporate decisions and lack of worker participation in corporation decision-making, so the bill cannot really be considered an incentive to employees to become more productive. What I am saying is that the other conditions in the plant which management puts in are the *raison d'être* behind increases in productivity or the lack of such increases, which is more often what happens, and then the employees get blamed for low productivity.

In actual fact, Louis Kelso, who is called the father of American ESOPs, envisaged that ESOPs would replace labour unions with "voluntary associations of capitalist workers...as agencies for the economic education of the newly made capitalists." That is really what is behind USA ESOPs, and we are not sure whether that is not behind what the government is after in this bill, because certainly we do not see it as contributing to labour-management co-operation and labour-management participation in the operation of our businesses and the development of our productivity.

1710

The US magazine *Business Week* has also concluded that employee share ownership plans are "great tools for management to reduce wages, undermine unions and protect against hostile takeovers." The ESOP bill does nothing to foster worker involvement in corporate decision-making or to encourage economic democracy. While there is a proviso that the shares must be common voting shares, there is no requirement in

the bill that a union may vote the shares collectively for the employees if the employees designate the union as their collective voting person and put the shares in a trust with the union.

We all know how much influence individual small shareholders have on companies. In addition, there is no minimum level of employee ownership of a corporation nor any requirement that employees or their unions be represented on boards of directors, or that employees have any other involvement in corporate management and decision-making. This is one of the greatest weaknesses of the bill. It does not really encourage good labour-management relations and good worker participation in decision-making in a corporate management. This is the kind of economic democracy that society should be working towards and that our party certainly has been working towards over many years in this House, but we do not seem to be making very much progress.

In my opinion, this is a backward step towards that goal. In fact, a bill of this sort, instead of bringing force to bear on the idea of sharing corporate and economic decision-making, may mislead employees to think that their interests as citizens and employees are the same as those of shareholders and management.

Moreover, we do have to look at the recent happenings in the stock market. ESOPs offer a risky way to share in the profits of a company in an already risky economy. It seems unreasonable that the government should be encouraging low-wage earners to take high risks by investing in the shares of their employers, often as substitutes for wage increases and pension plans.

The recent stock market crash—if you can call it that; some people just call it a collapse—reinforces the volatility of the financial markets and the risks involved in share ownership, particularly where the equity is just in one company and not a well-diversified portfolio.

Those are some of the reasons that make us give this bill a very jaundiced view. A further difficulty arises in those companies whose shares do not trade publicly. Such shares are not very liquid. What will an employee do if he leaves the company and wants to sell his shares? Where will he market them?

If the goal is to provide new capital to business, it is difficult to see why the bill limits potential investors for new capital to employees only. This government should be encouraging all investors in this province to invest in small business. We all know they have great difficulty

at the bank and have great difficulty marketing their own shares if they go public, but this is not a way of giving them any significant increase in equity capital.

I understand that when the bill was tabled last year, it had an estimated cost of \$25 million. Now the minister has said the estimated cost might be \$500 million to \$600 million. I find it very hard to understand the discrepancy in these estimates. Perhaps the \$25 million was part of the fact that it was a pie-in-the-sky election promise, so it looked as if it would not cost us very much. Most of the election promises were also brought out as only going to cost us so much because it would be spread over three years, five years or 10 years. This was supposed to be a first-year cost of \$25 million.

This money, or the \$500 million or \$600 million the minister mentions, could perhaps better be spent on direct assistance to small business and to worker co-operatives. As a matter of fact, one questions whether this legislation is needed because there are currently no impediments to a company setting up an employee share ownership plan for its employees, and indeed, many have. The issue is whether government should be encouraging these plans through the provision of grants and other preferences.

I submit that this money could be much better used in promoting better small business assistance, better labour relations and more democracy in industry, as well as better health and safety regulations which are far more serious hazards in the way of increased productivity or in the way of employee wellbeing than the fact they do not have a share in the plan.

I might draw the minister's attention to the fact that there is something in Sweden that may be loosely compared to an ESOP and was devised by LO, which is a Swedish confederation of trade unions. As of January 1, 1984, Swedish employers are required to contribute funds to five government-established wage-earner funds. Union nominees control each of the funds, and income from the funds is used to buy shares in Swedish companies. This was set up in 1984. By 1990, when the funds will cease getting new money from employers, it is estimated that workers will collectively own 10 per cent of Swedish industry, bringing to bear a significant public influence on Swedish corporate policy. This is the sort of influence that individual share ownership could not achieve under any conceivable plan.

By law, in Sweden all but the smallest corporations must have employee reps on their boards of directors. This is another way in which having legislation to improve the employee's participation in the operation and decision-making could be brought in, but once again that kind of legislation is lacking in this bill. The bill does not move one step towards the democratization of corporate decision-making.

Members have probably gathered from my comments that we intend to oppose the bill. It is completely unnecessary and really wrong-way legislation to improve small business investment and to encourage good labour relations. We plan to introduce a few amendments, if the bill should get through second reading. After the members of the House have heard my comments, it may have great difficulty getting through.

1720

Just to give you some warning, the sort of amendment I am planning to bring in is that the retroactivity clause will be changed to make the bill effective January 1, 1988.

There will be a clause requiring employee representatives on boards of directors, proportionate to their shareholdings.

There will be a clause proposing that if this kind of credit is to be available to eligible firms, it should also be eligible to credit unions, co-operatives and caisses populaires that might like to participate in this plan or whose employees might like to have the opportunity to get the tax credit.

I think we will also consider an amendment that would eliminate the incentives to firms if less than 25 per cent of the total voting equity is held by employees, because with a very small equity held by employees, the fact that they own a few shares makes absolutely no difference in the way they can participate in the decision-making in the industry.

We tried to bring in a few amendments that would improve the bill if the House should be so misguided as to pass it for second reading. Basically, I think it is beyond saving if you want to have a bill which aims at the two chief objectives the government has mentioned. They should go back to the drawing boards and bring in some sort of incentive bill for share purchase which would be available to the whole population and which would increase equity capital for small business and would also promote democratization of the workplace.

Mr. Runciman: I have just a few brief comments. We are going to support the bill. I understand and it is not surprising that the official

opposition is opposing it. I guess when you take a look at the impact this may have—and I say “may have”—in respect to improvement of labour relations, they are not too enthused about those kinds of things which may have the effect of drawing management and labour together, improving the atmosphere within the small to medium-sized businesses. That goes against the grain of the people who really pull the strings of the NDP, the labour leaders in this province.

I think the Treasurer indicated very well the other day that he had seen the party in some respects deteriorate over the years because of the increasing influence of the labour leaders in this province. That is a view I share as well. Certainly, in my view, as a former union president myself, that party does not speak for the rank and file union members in this province. That is clearly reflected in every provincial election.

If we take a look at this particular piece of legislation and talk to rank and file union members across this province, I suspect we will find, if we care to undertake that kind of a survey, widespread support for the concept. I think this is something the former leader of this party, the Honourable Frank Miller, when he was Treasurer of the province, talked about at length. It certainly was something that he very strongly supported in respect to profit-sharing and the concept that we have before us today.

If there is any drawback, and it may be a minor one, I guess it is perhaps the quality of issues and the fact that some businesses may be encouraged to enter the market rather than borrow from the traditional lending institutions because of this legislation. Perhaps the bill does not touch on those kinds of areas that would discourage businesses which perhaps should not be going public, should not be going to the market, from being encouraged to do so by this legislation. That is a rather modest concern, I would admit.

Our party does have some concerns in respect of the overall state of the economy. Looking down the road a few years, we think the current government is failing to take into account some of the economic indicators that are pointing out clearly to some economists that we have significant concerns ahead. I think Black Monday, as it is referred to, is perhaps a precursor of some negative things that we may have to look forward to.

This government has not been indicating by its actions or deeds, let alone its rhetoric, that it is prepared to meet those challenges. We are in unprecedented good economic times, and they

are not doing the significant things that they should be doing in terms of reducing the deficit and preparing for those downtimes that are surely going to occur, perhaps sooner than later.

We have talked about the health and welfare payments, up \$222 million over predictions. We have a total provincial debt of around \$29 billion, plus \$8 billion for Ontario Hydro. This government is on a spending binge. I guess we always get the argument, "We're making up for past sins of omission." In the last few years of Conservative government, we were in difficult economic times. We certainly did not have this kind of flexibility.

What I would suggest to the government is that if it cannot significantly reduce its deficit during these good times, it is never going to do it. Everyone is sitting back at this stage, enjoying the unexpected revenues that have been flowing the government's way and making all kinds of promises. I think in some respects there is no question the government is on a spending binge. Its spending has been averaging increases of 10 per cent per year since it has been in office. We are talking about times when inflation has been running between four and 4.5 per cent, and the government has been increasing spending around 10 per cent on average. I have to sit back and take a look at that and take a look at what that means in the near term, let alone the long term, for all of us and our children and grandchildren.

We think that perhaps the government should be looking at a number of things. The member for Beaches-Woodbine (Ms. Bryden) did mention some stock savings plans that are in place in some of the other provinces. We are supportive of the minister and his government taking a look at those kinds of plans and reviewing the desirability of putting something like them in place in this province.

The Quebec stock savings plan has been encountering some difficulties of recent times, following Black Monday, and I think essentially that has been because of what I talked about earlier, firms entering the market that should not have been allowed to enter the market in the first place. But certainly in the first number of years of operation, the Quebec plan operated with a great deal of success and brought a lot of new entrepreneurs into the market in Quebec and has been of strong benefit to the Quebec economy.

I think the government should be looking at doing those kinds of things, and I think there is no question that it is time for the government to display strong leadership and introduce some very upbeat initiatives. I do not believe I have

anything further to add to the debate, other than to indicate that we believe this is a good first step. There is time for assessment over the coming couple of years. We think there are other things the government has to be doing in the near term that are going to have a significant impact on the economy.

I have mentioned the stock savings plan. I might mention Mr. Miller's tax holiday for small business, which was tremendously successful, tremendously popular with the small business community. That is another area that the government should be looking at. I know it was pulled essentially because it was a Conservative plan. I think we have seen that occur too often with this government—good programs pulled simply because they have a Conservative label attached to them. I hope this is another area the minister and his government will take a look at.

1730

The Acting Speaker (Miss Roberts): Does any honourable member wish to comment on the remarks of the member for Leeds-Grenville?

Mr. Farnan: I found the honourable member's remarks to be almost completely off topic and I believe his rambling, partisan comments to be unworthy of reply. I believe better preparation can save him the embarrassment of resorting to cheap, partisan remarks. It would be much more effective if he were to stay with matters of substance.

Ms. Bryden: I share the sentiments of my colleague that the member did not appear to deal with the issue of whether this bill is going to do anything for small business. I certainly think the Progressive Conservative government brought in all sorts of paper programs to assist small business, but when you got down to talk to small businessmen, most of them found they did not qualify or they did not get sufficient funds to enable them to develop and expand. The government seemed to be far more interested in helping big companies than small business.

The other thing is that the member did not deal with the question of the democratization of the workplace because his party does not believe in that kind of democratization. Management rights always come first and the workers can take whatever crumbs management is prepared to give them. I think that is what a new, fresh government should be looking at and I am disappointed it is not looking at anything more than the Progressive Conservatives were looking at in this field.

Mr. Runciman: As a first step, I hope the member for Beaches-Woodbine, in talking about

democratization, would look at democratization of the big unions and support secret ballots rather than the kind of intimidation that now takes place. It is rather laughable to hear them trying to portray themselves as the saviours of small business. Just talk to any small business person about having those people represent them and you will get a pretty accurate response as to how they feel about that.

The Acting Speaker: Does any other member wish to participate in the debate?

Mr. Harris: I am pleased to speak to the bill. I had my notes all handy here and then I got so excited with the comments made by the members of the New Democratic Party that I lost sight of some of them. I am sure if I start rambling here, I will get into the swing of it.

Where is my bill? I have an amendment I want to talk about that I know will be acceptable. Here we are; here is Bill 20.

I myself also want to commend the member for—is it still Leeds-Grenville or just Leeds?

Mr. Runciman: Yes, Leeds-Grenville.

Mr. Harris: Leeds-Grenville. I think he pointed out some of the things our party has been very disappointed this government has not been involved in.

The comments from the members of the New Democratic Party—every business benefited from the tax holiday for small business. Every business, large and medium-sized, was pretty excited about it.

Hon. Mr. Wrye: That would raise the deficit, wouldn't it? Would that raise the deficit?

Mr. Harris: It would if they spent the \$9 billion the other way and had that. Sure, it could raise the deficit. I would not waste the other \$9 billion the way they do. I would not have done a lot of things they are doing.

Anyway, with respect to the bill, we are going to support this piece of legislation. We agree with the principle of the bill. We agree with the concept the government is trying to achieve. I am disappointed it has not been brought forward sooner.

I might also say I am disappointed—I know it has received fair circulation and the government has not accepted many of the suggestions put forward by the Canadian Federation of Independent Business and the small business associations, which I thought made some recommendations that made a good deal of sense. I am told that because of that consultation, and I guess probably the fact that the government has been so

slow bringing it in, it is not prepared to accept any of those amendments at this particular time.

I want to comment on them briefly. I also have an amendment that I think may be acceptable to the government to add something to the bill, that this bill receive a very thorough review by a standing committee of the Legislature in its fifth year. It is not as strong as a sunset amendment, but in my opinion, it would at least provide an opportunity for this legislation to be reviewed five years hence. It would be a mandatory thing. It would go before a committee. It would force a look at the legislation to see whether it is meeting the objectives it was intended to do and whether some of the amendments and changes that have been proposed by a number of groups right now perhaps ought to be incorporated at that time.

There have been a number of interjections too by the member for Cochrane North (Mr. Fontaine): "It works in Quebec." "It works in Quebec." "It works in Quebec." We wish this was the Quebec bill. We think the Quebec bill would be very appropriate here. This is a long, long way from what they have in Quebec and I think the minister would acknowledge that. I am not faulting per se this bill, but this is not what they have in Quebec.

I guess by way of serving notice, and I think the member for Leeds-Grenville has indicated it, we would look favourably on working with the government on implementing a similar plan to what is in Quebec that we think would raise substantially more money and would allow participation by substantially more Ontarians in small and medium-sized Ontario companies.

I wanted the member for Cochrane North to know that I listen to every interjection he puts forth in this House, in French and in English, and I just wanted to add those comments.

One of the questions the minister could clarify for sure is that I think I have been informed and my understanding is that the grants paid to both the companies and the employees are to be nontaxable. They are not to be treated as taxable income. The minister could just confirm that for us when he responds on the bill.

The amount allocated was asked by the member for Leeds-Grenville and the indication, maybe the minister will confirm, is 50 companies a year. I wonder if the minister has any projections the ministry may have beyond that year. Is that 50 a year for X number of years, so that in the fourth year we may have 200? Have they any projections beyond the first year?

A number of organizations commented on this bill when it first came out, and some of the concerns were particularly for small businesses. Incidentally, I think this will work for medium-sized businesses; we will have to see. I totally reject the arguments of the member for Beaches-Woodbine that it may not work. If nobody takes it up, it will not have cost us much to put it in place and put that opportunity out there. I do not know why—probably because Jim Foulds wrote out a bunch of garbage before he left that the member has repeated back to this House now that the bill has come back—for some doctrinaire reason she is opposed to allowing the opportunity for some employees who may want to participate. That just does not make sense to me.

When you get into small firms, of which we are talking a significant number—Is it 80 per cent of the firms in Ontario that have fewer than 10 employees? The startup costs are in the range of \$20,000 to \$40,000 and the grant to the company will be \$10,000, it is my understanding. Let us say the startup costs are \$40,000. Eighty per cent of the firms in this province will be looking at having to finance \$30,000, and if the limit is \$2,000 per employee, they are looking at three or four years before they even get enough money back from this to cover the costs of the startup. So I think the minister would acknowledge that the program for some of the very small firms is effectively impractical and there will not be much of a takeup on it.

The Canadian Organization of Small Business expressed that concern. The Canadian Federation of Independent Business expressed that concern and indicated that it thought there should be some form of graduated support so that some of those small companies would get more support from the government and, as they got larger, less support. I am not talking about the employee part; I am just talking about the grant to the employers.

I am disappointed that since those responses came into the ministry and the former minister about a year ago, none of the recommendations that were made appears to have been incorporated into the new legislation. We would have preferred that some of that had taken place.

I guess 84 per cent is the figure; 84 per cent of Ontario firms have fewer than 10 employees. Based on those startup costs, I think the minister would acknowledge that 84 per cent of the firms are unlikely to participate in this program. However, that still does leave a significant number of employees in those larger firms, the firms with more than 10 employees, and when

you start to get into some of the medium-sized firms to which it will apply, I think it will make some sense.

They also recommended that the figure of \$2,000 be increased. That figure in itself, if it went, say, to \$4,000, would help the smaller companies particularly overcome the early start-up costs. They made several recommendations on the resale side of it.

I could read into the record, but the reality is that the minister has those recommendations. They have come in from the various associations. The members would have all of those, and I do want to say we are disappointed that some of them were not taken into consideration.

I do intend in committee to move an amendment. I will not read it now, but the gist of the amendment is that in the fifth year of the program commencing, this legislation, this whole incentive program and the act, be referred to a standing committee of the assembly, that the committee must review the act and the program's effectiveness to see whether it is indeed meeting the goals established by the act, and that those findings should be reported to the Legislative Assembly along with a recommendation as to whether the act and the program should be carried on.

I think this is a reasonable proposal to make. It is saying: "We have some reservations. We would have liked to have seen it done a little differently, but we agree in principle. Let us go ahead with it, but let us have a time frame, at the very least some check so that this thing does not just sit around on the books for 50 years if it is not working or if it needs an overhaul."

It is not per se a sunset clause, although I guess it is the next thing to it. It at least ensures a committee will have a look at it and it ensures the Legislature will get a report from that committee on whether this bill and the incentives should carry on.

I will just say at this point that when it is in committee, I will move that amendment and speak to it at that time. I indicate that we will be supporting the legislation.

Ms. Bryden: If the member for Nipissing (Mr. Harris) cannot be persuaded that the five years of experimenting with this bill is not worth the cost, I would say that his idea of a review at the end of five years is worth supporting, but I question whether it is worth putting the province to the expense of a five-year experiment on this bill to see if it is meeting its objectives and if it is worth the money. The minister mentioned \$500 million to \$600 million annually.

Mr. Harris: Thousand.

Hon. Mr. Grandmaître: It is \$500,000 or \$600,000, not millions.

Ms. Bryden: I am sorry; \$500,000 or \$600,000, but that is at least half a million.

The thing is that that money comes out of the pockets of the other taxpayers. If we need that money for this program, we have \$500,000 or \$600,000 less for other programs. Since we are running a deficit, it does mean an additional cost that has to be made up by other taxpayers or some other program cut. I just wonder why we should be encouraging a program that is going to cost this amount of money and that seems to be a half-baked program that has not been worked out as to what its real benefits will be and whether it will really assist small business or employee-employer relations.

Mr. Harris: Very briefly, I appreciate very much the strong support I just received from the member for Beaches-Woodbine for the amendment I propose to put when we get into committee.

If \$500,000 or \$600,000 does any little wee bit of good, it is peanuts the way this government spends money. They dribble that much just walking into cabinet meetings: from the limousines, up the stairs, out of the briefcases, into the cabinet meetings. Every one of them does that. We have already seen there is absolutely no control by this government on most of the spending programs. They overspend by \$250 million here and \$200 million there and nobody seems to think very much of it.

I am surprised by, but I appreciate, the concern that I have not sensed before from too many members of the New Democratic Party. I appreciate the concern of the member for Beaches-Woodbine to make sure that we do get value for money, but I think \$500,000 is not very much. I certainly would—

1750

Mr. Runciman: It is about one minister's expense account.

Mr. Harris: Yes, that is right; it is about one minister's expense account, half that of the member for Cochrane North. Where is he? There he is.

I think it should be more money. The fact that the money has been brought up at all allows me to reinforce that I would rather see more money put into the program, a little more generous benefits in some of the areas. I mentioned that earlier: increasing the amount the employee can put in,

which would cost a little more, and increasing the share to the very small employer.

Hon. Mr. Grandmaître: One thing I would like to clarify from the outset. The member for Leeds-Grenville asked me the question about the cost of this program. My answer was that it is between \$500,000 and \$600,000, and I would like to correct this. In the initial year, 1987-88, with the startup costs, the cost would be \$1 million.

Mr. Breagh: Ah, well.

Hon. Mr. Grandmaître: One million dollars.

Mr. Breagh: What's half a million among friends?

Hon. Mr. Grandmaître: What is half a million? But I must say that after the initial startup costs, the cost would be between \$500,000 and \$600,000 and not \$1 million.

Mr. Breagh: Just starting off.

Hon. Mr. Grandmaître: The starting-off costs, Mike. What is \$1 million?

Mr. Breagh: Now we have gone from a half a million to \$1 million in three seconds.

Hon. Mr. Grandmaître: Also, the member for Nipissing asked me if those grants would be taxable, and the answer is no, they are not taxable.

I am surprised at the member for Beaches-Woodbine not accepting this program, because I think this government has been criticized on all sides for doing very, very little or nothing at all for small businesses or medium-sized businesses. I think this is a step in the right direction. It is a welcome program, and I think it will meet the objectives of the program to promote a co-operative environment in the workplace between the worker and the employer, and also provide a new source of equity capital for small and medium-sized businesses. This program will meet these two objectives.

I am very pleased to introduce this bill, because I can tell members that I have been around, in this ministry anyway, for only two months or two and a half months, and I think it is a great program. I think it is a step in the right direction and I am pleased to see that the third party will accept the program in principle. Whenever the member for Nipissing brings his amendment, he can rest assured that I will support his amendment. I think it is only reasonable. We are a responsible government, an accountable government. I think every program should be reviewed after five years, and I will welcome his amendment.

The member for Beaches-Woodbine also asked the question, what if an employee leaves the company? Well, the agreement between the employer and the employee could respond to that type of question. They could work out an agreement that if he leaves the business, his shares should be repayable or whatever, but this could be worked into the agreement.

Another question was, can the union vote, if I am not mistaken. Well, I can tell the member that the union can vote the employee's shares if the employee signs over the voting rights by proxy. Yes, a union can vote. I think it will encourage employees in small businesses to take part in and be proud of their companies and invest money for their future.

I think it is a great program, but again I will admit, with the member for Beaches-Woodbine, that it is not the end of the world. I think it is a good start and I am very surprised to see that the New Democratic Party does not support a program that would help small and medium-sized business.

Motion agreed to.

Bill ordered for committee of the whole House.

BUSINESS OF THE HOUSE

Hon. Mr. Conway: This might be an appropriate time to indicate the business of the House for tomorrow, because there are a couple of slight alterations, since the House has been very expeditious in discharging the business sheet.

We will tomorrow, then, continue in the committee of the whole with Bill 20. We will proceed then to Bill 21, An Act to amend the Ministry of Revenue Act, standing in the name of the Minister of Revenue (Mr. Grandmaître).

We will go then to Bill 25, the Travel Industry Amendment Act; Bill 54, the Theatres Amendment Act; Bill 55, the Upholstered and Stuffed Articles Amendment Act; Bill 56, the Operating Engineers Amendment Act, followed, if time permits, by a debate on the interim supply motion.

The Deputy Speaker: It being close to six of the clock, this House now stands adjourned until 10 o'clock tomorrow morning.

The House adjourned at 5:58 p.m.

ERRATA

No.	Page	Column	Line	Should read:
18	897	2	27	FARM MACHINERY AND EQUIPMENT ACT
				Mr. Wildman moved first reading of Bill 60,
18	929	1	2	
Farm Machinery and Equipment Act, Bill 60, Mr. Wildman, agreed to				897

ALPHABETICAL LIST OF MEMBERS*
(130 seats)

First Session, 34th Parliament

Lieutenant Governor: Hon. Lincoln M. Alexander, PC, QC

Adams, Peter (Peterborough L)
 Allen, Richard (Hamilton West NDP)
 Ballinger, William G. (Durham-York L)
 Beer, Charles (York North L)
 Black, Kenneth H. (Muskoka-Georgian Bay L)
 Bossy, Maurice L. (Chatham-Kent L)
Bradley, Hon. James J., Minister of the Environment (St. Catharines L)
 Brandt, Andrew S. (Sarnia PC)
 Breaugh, Michael J. (Oshawa NDP)
 Brown, Michael A. (Algoma-Manitoulin L)
 Bryden, Marion (Beaches-Woodbine NDP)
 Callahan, Robert V. (Brampton South L)
 Campbell, Sterling (Sudbury L)
Caplan, Hon. Elinor, Minister of Health (Oriole L)
 Carrothers, Douglas A. (Oakville South L)
 Charlton, Brian A. (Hamilton Mountain NDP)
 Chiarelli, Robert (Ottawa West L)
 Cleary, John C. (Cornwall L)
 Collins, Shirley (Wentworth East L)
Conway, Hon. Sean G., Minister of Mines (Renfrew North L)
 Cooke, David R. (Kitchener L)
 Cooke, David S. (Windsor-Riverside NDP)
 Cordiano, Joseph (Lawrence L)
 Cousens, W. Donald (Markham PC)
 Cureatz, Sam L. (Durham East PC)
Curling, Hon. Alvin, Minister of Skills Development (Scarborough North L)
 Daigeler, Hans (Nepean L)
 Dietsch, Michael M. (St. Catharines-Brock L)
Eakins, Hon. John F., Minister of Municipal Affairs (Victoria-Haliburton L)
Edighoffer, Hon. Hugh A., Speaker (Perth L)
 Elliot, R. Walter (Halton North L)
Elston, Hon. Murray J., Chairman of the Management Board of Cabinet (Bruce L)
 Epp, Herbert A. (Waterloo North L)
 Eves, Ernie L. (Parry Sound PC)
 Farnan, Michael (Cambridge NDP)
 Faubert, Frank (Scarborough-Ellesmere L)
 Fawcett, Joan M. (Northumberland L)
 Ferraro, Rick E. (Guelph L)
 Fleet, David (High Park-Swansea L)
Fontaine, Hon. René, Minister of Northern Development (Cochrane North L)

Fulton, Hon. Ed, Minister of Transportation (Scarborough East L)
 Furlong, Allan W. (Durham Centre L)
Grandmaitre, Hon. Bernard C., Minister of Revenue (Ottawa East L)
 Grier, Ruth A. (Etobicoke-Lakeshore NDP)
 Haggerty, Ray (Niagara South L)
 Hampton, Howard (Rainy River NDP)
 Harris, Michael D. (Nipissing PC)
 Hart, Christine E. (York East L)
 Henderson, D. James (Etobicoke-Humber L)
Hošek, Hon. Chaviva, Minister of Housing (Oakwood L)
 Jackson, Cameron (Burlington South PC)
 Johnson, Jack (Wellington PC)
 Johnston, Richard F. (Scarborough West NDP)
 Kanter, Ron (St. Andrew-St. Patrick L)
Kerrio, Hon. Vincent G., Minister of Natural Resources (Niagara Falls L)
 Keyes, Kenneth A. (Kingston and The Islands L)
 Kozyra, Taras B. (Port Arthur L)
Kwinter, Hon. Monte, Minister of Industry, Trade and Technology (Wilson Heights L)
 Laughren, Floyd (Nickel Belt NDP)
 LeBourdais, Linda (Etobicoke West L)
 Leone, Laureano (Downsview L)
 Lipsett, Ron (Grey L)
 Lupusella, Tony (Dovercourt L)
 MacDonald, Keith (Prince Edward-Lennox L)
 Mackenzie, Bob (Hamilton East NDP)
 Mahoney, Steven W. (Mississauga West L)
Mancini, Hon. Remo, Minister without Portfolio (Essex South L)
 Marland, Margaret (Mississauga South PC)
 Martel, Shelley (Sudbury East NDP)
 Matrundola, Gino (Willowdale L)
 McCague, George R. (Simcoe West PC)
 McClelland, Carman (Brampton North L)
 McGuigan, James F. (Essex-Kent L)
 McGuinty, Dalton J. (Ottawa South L)
 McLean, Allan K. (Simcoe East PC)
McLeod, Hon. Lyn, Minister of Colleges and Universities (Fort William L)
 Miclash, Frank (Kenora L)
 Miller, Gordon I. (Norfolk L)
 Morin, Gilles E. (Carleton East L)
 Morin-Strom, Karl E. (Sault Ste. Marie NDP)

Munro, Hon. Lily O., Minister of Culture and Communications (Hamilton Centre L)
 Neumann, David E. (Brantford L)
 Nicholas, Cindy (Scarborough Centre L)
 Nixon, J. Bradford (York Mills L)
Nixon, Hon. Robert F., Deputy Premier, Treasurer of Ontario and Minister of Economics and Minister of Financial Institutions (Brant-Haldimand L)
 Offer, Steven (Mississauga North L)
O'Neil, Hon. Hugh P., Minister of Tourism and Recreation (Quinte L)
 O'Neill, Yvonne (Ottawa-Rideau L)
 Owen, Bruce (Simcoe Centre L)
Patten, Hon. Richard, Minister of Government Services (Ottawa Centre L)
 Pelissero, Harry E. (Lincoln L)
Peterson, Hon. David R., Premier and President of the Council and Minister of Intergovernmental Affairs (London Centre L)
 Philip, Ed (Etobicoke-Rexdale NDP)
Phillips, Hon. Gerry, Minister of Citizenship (Scarborough-Agincourt L)
 Poirier, Jean, Deputy Speaker and Chairman of the Committees of the Whole House (Prescott and Russell L)
 Pollock, Jim (Hastings-Peterborough PC)
 Polsinelli, Claudio (Yorkview L)
 Poole, Dianne (Eglinton L)
 Pope, Alan W. (Cochrane South PC)
 Pouliot, Gilles (Lake Nipigon NDP)
 Rae, Bob (York South NDP)
Ramsay, Hon. David, Minister of Correctional Services (Timiskaming L)
 Ray, Michael C. (Windsor-Walkerville L)
 Reville, David (Riverdale NDP)
 Reyecraft, Douglas R. (Middlesex L)
Riddell, Hon. Jack, Minister of Agriculture and Food (Huron L)
 Roberts, Marietta L. D., Deputy Chairman of the Committees of the Whole House (Elgin L)

Runciman, Robert W. (Leeds-Grenville PC)
 Ruprecht, Tony (Parkdale L)
Scott, Hon. Ian G., Attorney General (St. George-St. David L)
 Smith, David W. (Lambton L)
Smith, Hon. E. Joan, Solicitor General (London South L)
 Sola, John (Mississauga East L)
Sorbara, Hon. Gregory S., Minister of Labour (York Centre L)
 South, Larry (Frontenac-Addington L)
 Sterling, Norman W. (Carleton PC)
 Stoner, Norah (Durham West L)
 Sullivan, Barbara (Halton Centre L)
 Swart, Mel (Welland-Thorold NDP)
Sweeney, Hon. John, Minister of Community and Social Services (Kitchener-Wilmot L)
 Tatham, Charlie (Oxford L)
 Van Horne, Ronald G. (London North L)
 Velshi, Murad (Don Mills L)
 Villeneuve, Noble (Stormont, Dundas and Glengarry PC)
Ward, Hon. Christopher C., Minister of Education (Wentworth North L)
 Wildman, Bud (Algoma NDP)
Wilson, Hon. Mavis, Minister without Portfolio (Dufferin-Peel L)
 Wiseman, Douglas J. (Lanark-Renfrew PC)
Wong, Hon. Robert C., Minister of Energy (Fort York L)
Wrye, Hon. William, Minister of Consumer and Commercial Relations (Windsor-Sandwich L)

*The alphabetical list of members appears in each issue. Lists of the members of the executive council, parliamentary assistants and members of committees, brought up to date as necessary, are published in Hansard in the first and last issues of each session and on the first sitting day of each month.

CONTENTS

Wednesday, December 9, 1987

Members' statements

Workers' compensation , Mr. Laughren	987
Education funding , Mrs. Marland	987
Affordable housing , Mr. Fleet	988
Child care , Mrs. Grier	988
Nuclear disarmament , Mr. Jackson	988
Lori Strong , Mr. Furlong	989
Hospital beds , Mr. Swart	989

Statements by the ministry

Economic Outlook and Fiscal Review , Hon. R. F. Nixon	989
Farm products marketing , Hon. Mr. Riddell	990

Responses

Economic Outlook and Fiscal Review , Mr. Laughren, Mr. B. Rae	990
Farm products marketing , Mr. Villeneuve	991
Economic Outlook and Fiscal Review , Mr. Cousens	991

Oral questions

Employment equity , Mr. B. Rae, Hon. Mr. Phillips	992
Workers' compensation , Mr. B. Rae, Hon. Mr. Sorbara	993
Trade with United States , Mr. Brandt, Hon. Mr. Peterson	994
Child care , Mr. Brandt, Hon. Mr. Sweeney, Mrs. Marland	996
Energy from waste , Mrs. Grier, Hon. Mr. Wong	997
Social Assistance Review Board , Mr. Runciman, Hon. Mr. Peterson	997
Property taxes , Mr. Polsinelli, Hon. Mr. Grandmaître	998
Ontario Hydro , Mr. Charlton, Hon. Mr. Wong	999
Health services , Mr. Eves, Hon. Mrs. Caplan	999
Assistance to farmers , Mr. McGuigan, Hon. Mr. Riddell	1000
Affordable housing , Mr. Breagh, Hon. Ms. Hošek	1000
Transmission lines , Mr. Sterling, Hon. Mr. Wong	1001
John David Carnie , Mr. Faubert, Hon. R. F. Nixon	1001
Canadian Security Intelligence Service , Mr. Hampton, Hon. Mr. Peterson, Hon. Mrs. Smith	1002
Continuing education , Mr. Jackson, Hon. Mr. Ward	1002

Reports by committees

Standing committee on regulations and private bills , Mr. Fleet, agreed to	1003
Standing committee on administration of justice , Mr. Callahan, tabled	1003

First readings

Ministry of Agriculture and Food Statute Law Amendment Act , Bill 65, Hon. Mr. Riddell, agreed to	1003
Agricultural and Horticultural Organizations Act , Bill 66, Hon. Mr. Riddell, agreed to	1003
Kingsway General Insurance Company Act , Bill Pr25, Mr. Cousens, agreed to	1003

Second readings

Ontario Unconditional Grants Amendment Act , Bill 46, Hon. Mr. Eakins, Mr. Breaugh, Mr. McCague, Mr. Fleet, Mr. Neumann, Mr. Dietsch, agreed to	1003
Employment Standards Amendment Act , Bill 51, Hon. Mr. Sorbara, Mr. Mackenzie, Mr. Harris, agreed to	1008

Committee of the whole House

Employment Standards Amendment Act , Bill 51, Hon. Mr. Sorbara, Mr. Harris, Mr. Mackenzie, reported.....	1014
---	------

Second readings

Race Tracks Tax Act , Bill 19, Hon. Mr. Grandmaître, Ms. Bryden, agreed to	1018
Employee Share Ownership Plan Act , Bill 20, Hon. Mr. Grandmaître, Mr. Runciman, Ms. Bryden, Mr. Farnan, Mr. Harris, agreed to	1019

Other business

Speaker's ruling , Mr. Speaker, Hon. Mr. Conway	987
Business of the House , Hon. Mr. Conway	1028
Adjournment	1028
Errata	1028
Alphabetical list of members	1029



CASIN
XI
-D23

No. 21

Hansard

Official Report of Debates

Legislative Assembly of Ontario

First Session, 34th Parliament
Thursday, December 10, 1987



Speaker: Honourable Hugh A. Edighoffer
Clerk of the House: Claude L. DesRosiers

Published by the Legislative Assembly of Ontario
Editor of Debates: Peter Brannan

CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of members of the Legislative Assembly of Ontario.

Reference to a cumulative index of previous issues can be obtained by calling the Hansard Reporting Service indexing staff at (416) 965-2159.

Hansard subscription price is \$18.00 per session, from: Sessional Subscription Service, Information Services Branch, Ministry of Government Services, 5th Floor, 880 Bay Street, Toronto, M7A 1N8. Phone (416) 965-2238.

LEGISLATIVE ASSEMBLY OF ONTARIO

Thursday, December 10, 1987

The House met at 10 a.m.

Prayers.

ORDERS OF THE DAY

PRIVATE MEMBERS' PUBLIC BUSINESS

ONTARIO ENVIRONMENTAL RIGHTS ACT

Mrs. Grier moved second reading of Bill 13, An Act respecting Environmental Rights in Ontario.

Mrs. Grier: Before I begin, I would like to indicate that I plan to reserve some of the time allocated to me so that I can wind up the debate at the end.

The Deputy Speaker: You have up to 20 minutes and you may reserve some of that time for the windup.

Mrs. Grier: I am very pleased to have an opportunity to participate in the debate on the act respecting environmental rights here this morning. It is, by coincidence, exactly one year ago today that I first introduced this piece of legislation into the House and members who were here in the last session will recall that in May 1987 we had a debate on second reading in private members' hour on that occasion. In May 1987 my bill received support from all parties in the House. It was adopted unanimously and referred to the standing committee on resources development for discussion and detailed debate. I hope the same thing will happen today.

I was very heartened during the election campaign, which interrupted the progress of my bill in the last session and which I trust will not interrupt its progress in this one, by the support, the recognition and the indications from people, not only in my own constituency but across the province, that the kinds of principles which are enshrined in this legislation were well received, were popular and were in fact recognized as being very badly needed in Ontario. After the resumption of business by this House, I quickly reintroduced my bill, which brings us to the point we are at today.

I would like to draw attention to the fact that this is the first opportunity members have had in this session of the House to debate environmental matters. Some members referred to the issues of

the environment during the throne speech debate, but this is the first time there has been an occasion when the subject at hand has been solely the protection of the environment. It is also, therefore, the first opportunity for members on all sides to recommit themselves to the promises and the commitments that I think we all made in the campaign, of our respect for the environment and our intention to do what we could to protect the environment.

I want to acknowledge the work that the many environmental groups have done, both in indicating support for this bill and in spreading the word about the principles enshrined in the bill. I think all members will have received a letter indicating support from a number of groups.

I would like to put on the record the list of groups that have specifically endorsed this second-reading debate today: the Canadian Environmental Law Association; the Canadian Auto Workers, locals 444 and 1973; the Citizens Network on Waste Management; Energy Probe; Friends of the Earth; Great Lakes United; Greenpeace; Pollution Probe; Preservation of Agricultural Lands Society; Ontario Federation of Labour; RADAR, which is Residents Against Dumping Around Rochester; Sierra Club of Ontario; Windsor and District Clean Water Alliance; Windsor and District Labour Council; and, separately, the Federation of Ontario Naturalists.

What that represents is a very broad consensus, from groups that may have very different localized interests, that the kinds of principles which are part of the environmental bill of rights are worthy of support and apply all across this province to every kind of environmental and nature group that we might have.

As I suspect all members know, the bill that I have presented is of somewhat mixed parentage. It was in 1980 that the present member for Beaches-Woodbine (Ms. Bryden) introduced an environmental Magna Carta. That was followed by an environmental bill of rights introduced by members of the Liberal Party when they were in opposition. In fact, my bill is very directly taken from a bill that was introduced by the member for Bruce (Mr. Elston). So there has been support across party lines for a bill of rights. I think the

time has come in this province when such a bill needs to be adopted.

We have, I acknowledge, made significant progress in the last two years towards protecting the environment, towards updating our laws, towards improving our regulations. But this bill is a vital addition to that progress. What this bill does is give a weapon to the citizens so that they can play their part, along with government, in protecting the environment. In a minority government those weapons were available more readily perhaps than they are in today's majority situation, but I would suggest that perhaps the passage of this bill would give an additional weapon to the Minister of the Environment (Mr. Bradley) in discussions that he may have with caucus or with the competing priorities of his fellow members of cabinet.

I would like to enunciate what the bill does, which is fairly clearly stated in section 2 of the legislation. What it does is give to the people of Ontario "a right to clean air, pure water and the preservation of the natural, scenic, historic and aesthetic values of the environment." It says:

"Ontario's public lands, waters and natural resources are the common property of all the people, including generations yet to come, and, as trustee of those lands, waters and resources, the government of Ontario shall conserve and maintain them for the benefit of present and future generations.

"It is hereby declared that it is in the public interest to provide every person with an adequate remedy to protect and conserve the environment and the public trust therein from contamination and degradation."

What that means is that it gives citizens the right to go to court to protect the environment. It ensures that decisions are not made, or approvals are not granted, without adequate public hearings. It guarantees access to information about the environment. It provides intervener funding so that those citizens who become involved have the resources to carry their case forward. It protects workers who report acts of pollution from reprisals because they have reported those acts.

What it does not do is it does not relieve the minister of his responsibility to protect the environment. It gives him, in addition to his own inspectors and enforcement mechanisms, an army of volunteers who have the right to supplement what government is doing. I think we have had ample indication that the public wants that right and would take advantage of that right. In the report of the Provincial Auditor there were

more than 12,000 complaints filed by citizens in 1986, complaints about degradation of the environment. The Provincial Auditor went on to enumerate that the Ministry of the Environment, unfortunately, had not adequately followed up on those complaints.

When I say that citizens ought to be given the right to follow up themselves and to take action to see if their complaints are dealt with, that is the kind of right that this bill would give them. By providing intervener funding, it gives citizens the tools to do the job they have indicated they want to do.

1010

It is important to remember that in our legislation the minister has the power to protect the environment but he does not have a duty to do so. It is not mandatory that he take action under some of the legislation and regulations that exist.

When you consider how the laws and the regulations of the province are written, you realize that the way they are developed they in fact give industry the right to pollute. Regulations are developed that say you may contaminate the environment to a certain level; you have a right to allow these kinds of contaminants into the environment. What the regulation does is set the level of those contaminants.

We have control orders. When there is evidence that pollution is occurring, a control order is negotiated between the government and the industry which spells out the right the industry has to continue to pollute to a certain level.

We have deadlines and indications to industry that regulations or legislation are going to be introduced at a certain time which give industry the right to continue to pollute until that deadline is met.

All these mechanisms for improving the environment or controlling environmental degradation are generally discussed behind closed doors and the participants in those discussions are the polluters and the government. Not present is the public. The public not only does not have the right to participate in those discussions, it does not have the right to be informed that those discussions are taking place.

Some of the most frequently heard jargon or buzzwords around environmental policy these days are "risk assessment" and "stakeholders." If we think of those two words in conjunction with what I have just said about how regulations and legislation are developed to protect the environment, we will see that the risks are being taken by the public. Therefore, they are a major stake-

holder in the development of these regulations, yet they are not present and not legal participants in the development of the regulations.

Let me give a couple of examples.

We heard last week from the minister that regulation 308, the province's air pollution regulation, was outdated, and he allowed us to have three months for the public to comment on his proposals to revise that regulation. I think that is admirable. I am very glad the minister did that. The point I want to make is that he did not have to do that. He did it because he happens to think public participation is warranted, justified and desirable. But should we have in his place a Minister of the Environment who did not feel the same way, then we would have no right to demand that we be allowed to have public comment on that regulation.

The Ministry of the Environment is in the process of setting acceptable standards for dioxins and furans in the province. A report enunciating studies and statistics with respect to dioxins and furans was released in November 1985. There have been no public hearings on that report.

We know that the minister is setting standards in consultation with industry for those very toxic contaminants, yet we do not have a right to demand that there be a public process by which we who are going to take the risk can be involved. I think that is a classic case of the risk regulator and the risk-maker deciding what is an acceptable risk without the risk-taker being at the table.

In defence of the current minister—and I know that defence will be mounted by his colleagues as this debate proceeds—I want to make it very clear that there has been much better access to information in the last two years than we ever saw in this province in the past. I keep saying two years; maybe it is almost three years. We have had a release of reports. We have had a release of data—not quite as quickly in the past two months as we saw in the previous session, but it still does come—but I want to reiterate that is dependent on the goodwill of the minister. It is not guaranteed.

When you come to public hearings, the only right that the citizens of the province have is a right to a public hearing on waste disposal projects.

I made the point that there is in fact a right to pollute and I want to expand a bit on that. The polluters who use the environment can infringe on the public's use of the environment. If a lake is polluted because of the actions of industry, the public cannot fish or swim, but the public has no

right to use the courts to correct that public wrong. We have to prove that a private wrong has been done. We have to prove that our person or our property has been damaged by that pollution before we can go to court and try to claim damages or try to claim that the pollution ought not to be allowed to continue.

That whole issue of standing, and the standing of the public before the courts of this province, is one of the most crucial elements of the bill. I was in Toledo recently for meetings of the International Joint Commission and heard a representative of the United States, when a citizen asked him about how compliance could be enforced with the regulations, say, "Sue me." As a citizen of Ontario, I do not have the right to do that. Even if my industry is damaged, even if I am a resort owner and a lake has been contaminated, even if my backyard has been damaged by lead from a lead plant in the neighbourhood, I have to prove a very direct effect upon myself or my property before I have the right to go to court. As we are becoming more conscious of the effects of environmental degradation on human health, the cause and effect is ever more difficult to assess, but the importance of citizens having the right to go to court to protect themselves is ever more important.

Those who say that this right, which now exists in Quebec, in the state of Michigan, in Minnesota, is going to lead to a plethora of lawsuits are quite wrong. In fact, the history in those states is that the courts have not been clogged by frivolous or unnecessary suits. In fact, the safety valves of the reluctance of people to go to court, of the cost of going to court, of the effort of going to court, prevent anybody from doing so frivolously.

The tool that I mentioned at the beginning that allows people to make active use of the rights this bill would give them is, of course, the tool of intervener funding. That, too, has been a commitment by this government, a commitment that it has been called to account for in this House during question period, a commitment that has been partially fulfilled in an ad hoc way.

What my bill does is establish a process by which a group, before it embarks on an environmental assessment hearing, before it decides what studies it wants to do or needs to do, knows for sure that there is going to be intervener funding, how much that intervener funding will be, and by what criteria that intervener funding will be disbursed. That is a very essential element in giving citizens the right to protect their own environment.

I hope that if this bill passes today, there will be time in the committee hearings to hear from the public, to hear from the people who have suffered because of the lack of statutory environmental rights in this province. I think the issue is too serious to be compromised or for the elements of this bill to be attempted to be met by half measures or by qualifications.

The whole question of what is happening to our environment is too serious for the tools to protect the environment to remain fragmented among a number of pieces of legislation. What the bill of rights does is bring all of the elements of the environmental activity together under one piece of legislation and spell out very clearly the processes and the rights to be followed.

I hope that we soon have in this province a bill of rights that is enforceable, not the kind of preface to environmental protection amendments that the federal government is calling a bill of rights, and I want to make a clear distinction between the two.

I want to say in closing that I and the environmental groups were very heartened to find, in the questionnaire that was circulated before the election, that 89 per cent of the people who were elected to this House on September 10 supported the bill of rights in principle.

Today is our opportunity to vote for what we said we supported and I look forward to support from all sides of the House.

Mrs. Marland: In rising today to support this bill, An Act respecting Environmental Rights in Ontario, I would first like to congratulate the member for Etobicoke-Lakeshore (Mrs. Grier) in her presence in bringing forth this very much needed bill. Certainly, this particular bill has quite a history. We certainly are aware of the fact that a similar bill was first introduced by the Leader of the Opposition in 1979, Dr. Smith, as Bill 185. Now that we are on to the third reincarnation, let us hope that this time we will really have a birth.

1020

I would also like to mention that there is a tremendously strong concern within the Progressive Conservative caucus about where we are going with questions relating to the environment, and as the government that established the Ministry of the Environment in the early 1970s, there obviously has always been a recognition of the concern and planning for the preservation of what we have.

I would urge that the government and the government caucus members who are present here support this bill, as they did earlier in the

year. I hope that in supporting it they will encourage the Minister of the Environment to continue with the select committee on the environment in order that this bill could be referred to that committee.

The member for Etobicoke-Lakeshore and I sat as members of that select committee on the environment this year, and we both recognize very clearly that we were only just beginning the process of the work of the select committee on the environment. We in fact discussed at our organizational meeting about five areas that we wanted to discuss within the purview of that committee. We got only as far as the Countdown Acid Rain program, and that in itself turned out to be somewhat depressing in the beginning but encouraging at the end, because it was through the review of the Countdown Acid Rain program on the select committee on the environment that we did indeed discover the tremendous loophole of the banking provision for emissions by Ontario Hydro.

So obviously the work of the select committee on the environment is very important and has only just begun. We have not yet heard an announcement that that committee is going to be re-established to continue with the next project, which we had already identified, which was the pollution of the Great Lakes, in particular Lake Ontario and its input from the Niagara River.

I think in establishing the government as a trustee of public lands, which is one objective of the bill, we have to be sure that the government can act in the best public interest in preserving the ecological and environmentally special areas. We are certainly going to see whether that is possible by the current government when we see what its decision will be on whether or not it will allow the use of the Rouge Valley lands for housing. In referring to the Rouge Valley lands I want to emphasize that our Progressive Conservative caucus does support the use of government lands for housing, but we certainly do not support the use of environmentally sensitive areas. While we have 3,000-plus acres other than the Rouge Valley lands in the immediate area of Metro Toronto, we do not see that the use of the Rouge Valley lands is in fact necessary, and we certainly do not want to end up with a legacy for our grandchildren and great grandchildren where we have nothing but asphalt from Kingston to Hamilton because we have not planned to preserve the environmentally sensitive areas.

In supporting the initiative of intervener funding I think it is important to say that this is one component of this proposed environmental

bill of rights which is very important. It is important, of course, to recognize the power and the money behind the industrial initiatives and the need for funding for individuals to compete in this process. As an example, I would like to tell members that we have this ongoing hearing at the moment for a project in southeast Brampton. The hearing started there. It has now been moved into the Mississauga civic centre.

That hearing is about the proposed energy-from-waste plans by Petro-Sun. The group of citizens who are in opposition to that proposal has been granted \$30,000. Now, I am not suggesting that we were not grateful for the \$30,000, but I would respectfully suggest that \$30,000 does not come anywhere close to the money that is being invested both by the region of Peel and by the industrial proponents of the Petro-Sun proposal. So I think that when we are talking about intervenor funding, we have to make sure that what is allowed and allocated to those groups is realistic. I would suggest that if it is going to be realistic, it has to be somewhat fair in comparison to the amount that the industry has behind it.

The Environmental Assessment Act is obviously now at the point where we need a new act. We have situations where municipalities are applying to be exempt from the public process, to have landfill sites licensed without going through the whole process. We have had something in excess of 65 exemptions granted by the cabinet since 1985, and we now have class assessments that help get through the process faster. The point I am making is that in drafting legislation we must be sure it is workable. Otherwise, our environment and the right of the individual to a clean environment will be much looser, it will not be as secure, and certainly we would wonder if there will be any beneficiaries. The fact that the Environmental Assessment Act does not apply to private sector initiatives is something that is important.

With the environmental assessment hearing that is going on for the Petro-Sun energy-from-waste plant in Brampton, ensuring that the public can participate does not in itself necessarily ensure that the public is protected. The concern we have is that this particular hearing is going on and the ministry will be reviewing this submission in the absence of the updated air pollution standards, standards that do not even include dioxin. I have mentioned this a few times in this Legislature in my questions to the Minister of the Environment.

It is beyond me how the decision on this Petro-Sun plan could be made before any new air pollution guidelines are in place. Before the public can completely comment on whether the decision is a good one or not, environmentally speaking, the point is that a bill of rights such as the one that is before us this morning must go hand in hand with other legislation to be effective.

On the matter of the air pollution guidelines, I cannot miss the opportunity to say that the members of this House were expecting the standards to be put in place by the current minister when his announcement was made. We certainly were not expecting another study and another green paper or the phase-in period. There again, we were expecting that if that is what his announcement was going to be, well, then we would at least have those new air emission standards in place to deal as a benchmark and a measurement against which to evaluate the Petro-Sun proposal, which in itself is very significant not only to Mississauga but to this part of southern Ontario.

I think a good example of how other legislation must keep pace with the environmental rights bill is the fact that the municipal-industrial strategy for abatement program is inadequate. There are some 11,000 polluters that are still emptying contaminated effluent into sewage systems that are not covered by MISA.

In closing, I would just say that presently only those who can show direct personal harm or injury can sue on behalf of the Ministry of the Environment. This bill will allow actions that have the interests of future generations at heart. Much of what we are doing today we cannot even measure the effect of, but our grandchildren most assuredly will. They will see the effects and will have to live with our mistakes. I hope our grandchildren and great grandchildren will live with our protection for their future environmentally.

Ms. Hart: At the outset I would like to indicate my support for Bill 13 in principle and my agreement with its underlying goals. Control of pollution and a greater role for the public in protecting the environment are top priorities for me and for this government.

1030

As has been mentioned, Liberals have supported environmental rights legislation ever since Stuart Smith introduced the original version of this bill in 1979, and we still support it. However, we wish to ensure that Ontario ends up

with the best environmental protection legislation possible.

Bill 13 is a great stride forward, but even it could be improved. First of all, section 2 gives the people of Ontario the right to clean air, pure water and the preservation of the environment. I agree in principle that every citizen of this province and every future citizen of this province has the right to a clean environment.

But in order for an environmental bill of rights to work, it must be a piece of clear, enforceable legislation. Section 2 raises a number of important questions that need to be examined. For example, the definition of "environment" used in Bill 13 is broader than that of the Environmental Protection Act, which refers only to the natural environment. Bill 13 includes the social, economic and cultural environment. Its jurisdiction is likely, therefore, to overlap with that of other ministries.

How would proponents of this bill deal with its impact on other jurisdictions? How would they legally define the concepts of "clean" and "pure"? What would be the relationship of the right to a clean environment and the existing common-law rights of all citizens? How can the right to a clean environment be applied to specific standards and duties outlined in current and future environmental legislation? Are there limitations to the right to a clean environment? If so, under what conditions? Substantial litigation may be needed to clarify the extent of this right unless these questions are clearly addressed.

A related issue is that of standing. Standing refers to the right of a party to pursue remedies in the courts and to appear before administrative tribunals. At present, members of the public can have standing to prosecute under Ministry of the Environment statutes. The ministry has always supported private prosecution. There is a statement to this effect in our abatement policy. A private prosecutor who obtains a conviction can, under Bill 112, obtain an order from the court to prevent recurrence of an offence or to rectify harm. This provision was used recently to prevent a St. Catharines company from continuing its outdoor sand-blasting operations.

Under current law, however, parties who wish standing in Ontario's courts must be able to show direct injury to themselves or to their property. Bill 13 would extend this to give all citizens the right to bring legal action against an activity which harms the environment, regardless of whether or not they themselves are directly affected.

In such an action the court has broad power to grant injunctions on environmental matters, impose conditions or effect standards where there are none. The provisions for standing, therefore, are likely to be controversial, and extensive litigation may be needed to determine the relationship to other statutes.

The practical issues of introducing both the right to a clean environment and the right to standing need to be addressed before Ontario can have a strong and workable environmental bill of rights. I therefore encourage members to refer these questions to a committee of the Legislature for more detailed work before this bill proceeds further.

Bill 13, then, lacks detail on two important issues. It also provides provisions which could be more effectively addressed in statutes of general provincial application. Questions raised in the issue of standing, for example, are also important in the context of civil liberties, consumer protection and human rights. Committee examination of these issues can only serve to strengthen this bill.

In addition, section 16 contains measures authorizing public interest funding. Such funding, according to the bill, would be provided from an environmental hearing assistance fund to participants appearing before any board, tribunal, commission or court or any appeal or review thereof.

The throne speech of April 22, 1986, committed this government to ensuring that groups and individuals seeking to intervene in the public interest before administrative tribunals will be assisted. The Ministry of the Attorney General is developing a progressive policy on intervener funding. The Ministry of the Environment fully supports this undertaking. Furthermore, the ministry has shown this support by making funds available in the interim to public groups participating in environmental hearings.

Major funding will also be provided to citizens' groups planning to appear at the Ontario Waste Management Corp.'s hearing before the Environmental Assessment Act. Intervener funding has already been given out for the hearings on the 3M Canada energy-from-waste facility in London, the Consumers' Gas liquid-natural-gas storage proposal in Cobourg, Highway 416 in Ottawa and the Halton regional landfill. The government has made available up to \$300,000 to support public participation in the Ministry of Natural Resources class timber management environmental assessment.

This policy of funding citizens' participation in environmental hearings results in better, more democratic decision-making and will be actively continued on an ad hoc basis until the legislative proposal developed by the Attorney General (Mr. Scott) is approved by this Legislature.

Sections 12 to 14 of the bill attempt to provide the public with an opportunity to comment on the issuing of licences, approvals and orders and an opportunity to review and comment on existing environmental legislation. The government supports the concept of greater public participation in environmental decision-making. The Ministry of the Environment is currently working out the implementation details of a comprehensive policy for public consultation. This policy will be made public in the spring.

In the interim, though, the ministry has implemented the principle of public participation in a number of ways: the Recycling Advisory Committee and the municipal-industrial strategy for abatement advisory committee. The ministry encourages the creation of public advisory committees to ensure public awareness and involvement in several programs, including municipal waste-management master plans. Last year the public was invited to respond to the MISA white paper. More than 100 public interest groups, municipalities, industry associations and individuals participated in this review period.

The ministry is currently inviting comments on the new proposed changes to the air pollution regulation 308. In addition, the ministry has ensured that several important undertakings are now subject to public hearings. Any proposed energy-from-waste incinerator with a capacity of over 100 tons a day is now subject to the Environmental Assessment Act. In September 1985 it announced that mobile polychlorinated biphenyl destruction facilities would be subject to full hearings. In light of this track record and in light of the comprehensive intervener funding proposal now under development, section 16 of this bill, which provides for intervener funding, will become redundant.

In conclusion, I reiterate that I support this bill in principle. I believe it should be strengthened and improved and would benefit from referral to a committee for public review, as the member for Etobicoke-Lakeshore has indicated.

Several of the means for public involvement proposed in Bill 13 are already offered or are being developed by the Ministry of the Environment or other ministries. The sections on the right to a clean environment and on standing need

further work, with more consideration given to the details of implementing these provisions.

I am confident that I reflect the view of many of the other members in commending the dedication and ability of the opposition critic on the environment, the member for Etobicoke-Lakeshore, not only in this matter but in all matters environmental. I would also like to acknowledge the efforts of the other members who have been involved in this initiative right from the beginning. An environmental bill of rights is a very important initiative of this body, and I urge all the members of this Legislature to support it.

Mr. Charlton: It gives me great pleasure to rise in support of Bill 13. My colleague from Etobicoke-Lakeshore has worked very closely with me on this project over the last couple of years, and I did some work on it myself during my time as Environment critic.

I would like to start my comments by thanking the member for Mississauga South (Mrs. Marland) for her support and the member for York East (Ms. Hart) for her support as well. The member for Mississauga South mentioned, as have all of the speakers so far, all of the reincarnations that this bill has been through, and the member for Mississauga South made the comment that perhaps this time we would have a birth. Let us honestly hope that it is a live birth. I think that reflects my feeling not only about the importance of this bill but also about the importance of the environment as paramount above all other things.

1040

The member for York East, for example, expressed some concern about the broad definition of the environment that is used in this bill. I would like to assure her that that was not a mistake and not an oversight, but a very intentional move on our part and on the part of the member for Bruce (Mr. Elston) when he introduced this bill some years ago.

She expressed a concern about the broad definition overlapping with other jurisdictions, and again I want to assure her that that is exactly the intention of the broader definition. What we have in the present structure, with a much narrower definition of the environment, is that other ministries in competition with the Ministry of the Environment are able in a number of ways to get around maximizing environmental protection in Ontario. What this piece of legislation and the broad definition are in fact saying is that that is no longer acceptable; the protection of the environment has to be paramount above all else,

both for present generations and for future generations. We all like to talk about present generations and future generations, but we have to start to understand the implications of what is going on in the area of environmental degradation and the struggle for environmental protection.

The member for York East also raised concerns about the question of standing and how that question of standing would impact, for example, on environmental legislation which set new environmental standards for a particular substance, range of substances or whatever the case happened to be. I think she hit the point right on the head at the same time as she missed it. The point is that, again, the question of standing has to be broad so that, in effect, the citizens of this province have the right to challenge even standards that are legislated by this Legislature or imposed by the Ministry of the Environment if the public does not feel those standards are acceptable.

In order to understand the need for that right, we in this House have to start understanding the environment and the environmental approvals process that goes on. We have scientists and bureaucrats making decisions about what is acceptable and what is safe. I want to emphasize the word "safe" as I talk to this matter. Scientists study substances and they come to the conclusion from the scientific evidence they are able to glean from studying a substance that this substance is not particularly toxic and will kill only one in a million people. They present that scientific evidence to the bureaucrats and the bureaucrats make a decision, "One in a million is not bad; that is acceptably safe," and the substance is allowed to be used in our society.

When the public raises concerns about that substance being used in its community, in the industry in which they work, or when it perhaps turns up in their water, it is not told that that substance is going to kill one or two people in Metro Toronto or that it is going to kill 26 people of the present generation across Canada. They are told it is safe because the bureaucrats decided it was acceptably safe. The response we get in the Legislature here, the response that is put out publicly is: the amount of the substance present in the environment meets the guidelines, meets the standard, whatever the case happens to be, and it is therefore safe. They are not told that it is safe for most of the people but not for all of them. The public has to have the right to challenge those decisions about what is acceptably safe. The public has to have the same right to say that

killing 26 Canadians with this particular substance is no different from the abhorrence we feel when there is a train wreck that kills 26 people and negligence is found to be the cause. Somebody's head rolls in that case, but when we kill one in a million or 26 people across the country by things we do in the environment, we do not even know whom to blame in most cases. We have to start changing that attitude towards the way we approach what is acceptable to use in the environment in this country.

The question of intervenor funding is a useful question that we have to discuss. It is heartening to hear, finally, all three parties supporting the concept of intervenor funding. It was a long time coming. The ad hoc approach the government has taken to providing intervenor funding over the course of the last several years is useful, but I want to say to the member for York East that we were told almost two years ago, when we were in the select committee on energy, that the government was very close to coming forward with legislation on intervenor funding, criteria for intervenor funding. Almost two years later we are still waiting. We have to proceed to deal with those questions until we see that legislation; and we will deal with them in this bill, we will deal with that question of intervenor funding in other private bills that come into this House until such time as we have that legislation in place.

The ad hoc approach is useful, but it is simply not what we need, because it is not there with a set of criteria so that groups can know in advance what to expect. We had a consolidated hearing board hearing in Hamilton over the Redhill Creek expressway. It was a lengthy hearing, a very costly hearing, and the citizens' group ultimately did get intervenor funding. However, their research and their case presentation were limited by not knowing they were going to get that funding and not knowing how much it would be. Again, their case against very powerful opponents was a lesser case than it should have been or could have been if they had known up front what it was they had to deal with in intervenor funding, what criteria they had to meet to gain that intervenor funding and how much that intervenor funding would be.

There is also the question of access to information. The government has repeatedly said, "We are proceeding and are putting in place freedom-of-information legislation"; but if you look at that legislation, although it is useful in a global, general sense, it is not very specific and tight. Again, in the case of the environment, as I suggested earlier, the environment has to be

paramount, above all else. People have to have access, in the case of the environment, to every stitch of information available; they have the right to know fully what is going on around them. As my colleague the member for Etobicoke-Lakeshore said, they are the risk takers. They have to have an absolute right to all information where the environment is concerned, with no exception and no exemption, as is provided in our freedom-of-information legislation.

I encourage all members to support this piece of legislation. We will be happy to have full hearings.

Mr. J. M. Johnson: I, too, intend to support this legislation, but I do have some very serious concerns about it. Most of them pertain to the agricultural sector, which I happen to represent. Environment is only earth, air and water, and those are three very important components for life. However, I wonder if we have a conflict sometimes between environment and agriculture. We have the Minister of Agriculture and Food (Mr. Riddell) talking about bringing in right-to-farm legislation, and then we have this Bill 13 which in many ways will supersede or certainly conflict with the bill of the Minister of Agriculture and Food.

1050

I refer the member for Etobicoke-Lakeshore to subsection 2(1): "The people of Ontario have a right to clean air." Certainly no one would disagree with that, but how does that affect the farming community? People move into the farming community and they have a home adjacent to a field. The farmer spreads manure. They then have a problem with the smell there. Is that a conflict between the ministries of Agriculture and Environment?

Would this legislation mean that someone would have the right to take that farmer to court? Whether the judge threw it out or not, the farmer would still be subject to defending his actions, hiring a lawyer, taking time off and going to court. I just wonder if we are drafting legislation that could impact on our farming community and not really realizing what we are doing. I give members a word of caution: it is a very serious concern to the people out in the farming community.

Since I have only a few minutes left, I would like to take some time to concentrate on two very serious problems in our environment. Those are the proposed industrial liquid waste plant, and simple municipal garbage and how to dispose of it. Both of them are extremely urgent environ-

mental problems, and yet they seem to be on the back burner.

Dr. Chant just released his latest report on the Ontario Waste Management Corp., which was established in 1981. He has been working for several years, and I am not too sure how far advanced he is at this point in time. I am not arguing, nor do I have the time even to get into it in any depth, but I do feel that this Legislature, this government and the Ministry of the Environment have the responsibility to make certain that we establish an industrial waste disposal system in the immediate term, not in another four, five or 10 years from now.

Every year millions of gallons of industrial liquid waste are going someplace. Some of it is being stored; some is being sent to a couple of areas—I think we have one in Sarnia that looks after it—and some is even being exported out of the country, but thousands of gallons disappear. I would think many of these gallons end up going into our rivers and lakes and into the soil that we are so interested in protecting. So I say to the member for Etobicoke-Lakeshore and the Minister of the Environment that we all have a responsibility to assist Dr. Chant in establishing a facility. I am not saying it has to be in the location he has chosen, but we do have a responsibility to make certain that we can adequately and safely control our disposal of industrial liquid waste.

The last point I would like to mention also deals with waste, and that is municipal waste, garbage. Quite simply, we are not doing enough to solve this problem. The minister announced in the House last week that he was putting more money into the recycling program. Recycling certainly is a beneficial means to help solve the problem, but at the very best it will achieve 15 per cent to 25 per cent, and we still have to deal with the other 75 per cent to 85 per cent. We have two choices: we can either burn it or bury it, and neither one is totally satisfactory.

In my opinion, the day has come when the farming community no longer wants to see dumps, so-called landfill sites, in the area. We have had enough of it. We will not allow it to go into aggregate deposits. We cannot put it into rock soil. It has to be fairly decent land. Therefore, we take agricultural land out of production.

It makes sense that we should be looking at energy-from-waste facilities that are environmentally safe. Surely to heavens, if we can send a man to the moon, we can develop an environmentally safe energy-from-waste facility. I have

encouraged the minister to take this approach for many years. It is something we have to look at.

Apparently, the minister has concurred that the two facilities in London, one adjacent to Victoria Hospital and one in the 3M plants, are quite safe. Both were passed by the minister as being environmentally safe, and he maintains they do have a safe reputation and are adequate for the purpose.

I am simply saying that if we could concentrate our resources on designing and developing an energy-from-waste facility that is safe, then that is the direction we should be going, because the farming community is getting tired of paying the price for this inaction of the government and being forced to accept another landfill site to satisfy the garbage disposal problems of our cities, and this includes the lakeshore area of this city. It is time the people in the cities realize that rural Ontario is not a garbage disposal area for the rest of the province.

I would encourage this House to encourage the minister to take a lead in developing energy-from-waste facilities that are safe and satisfactory.

Mrs. Grier: I would like to thank the members for their thoughtful contributions to this debate and for the support they have indicated for the bill. I think we have laid a good foundation for a much more detailed discussion in committee of some of the concerns that have been raised.

I want to say to the member for Wellington (Mr. J. M. Johnson) that farmers are people and environmentalists too. They share the same concern of many people in the cities about what we are doing to our environment. I think his emphasis on the problems of the disposal of municipal waste is a classic case of where the kinds of rights and principles enshrined in my bill would be of great advantage to the agricultural community when waste facilities are suggested for their backyards. I really question whether his colleague the member for Mississauga South is as enthusiastic as he is for an energy-from-waste facility if it is going to be in Brampton, but I guess those are problems we all have within our respective caucuses.

I would like to thank the member for Mississauga South for her reminder that the select committee on the environment was a very useful committee of this Legislature, and I share her hope that it certainly can be convened and allowed to get on with the other tasks that it had identified.

The member for York East, I think, makes some very valid points about the need for

clarification of the definition and the definitions of standing within the legislation, and that, of course, is precisely what I hope would occur when we get to committee and have an opportunity to dissect and discuss the bill in detail.

She mentioned that the Ministry of the Attorney General was developing a progressive policy for intervenor funding and that that particular section of my bill would be redundant. The member for Hamilton Mountain (Mr. Charlton), I think, adequately dealt with the long delay in that progressive policy being produced. I hope that the member for York East will add her voice to ours in persuading the Attorney General that perhaps the principles of intervenor funding which he himself espoused when he was counsel to the Mackenzie Valley Pipeline Inquiry would be very adequately translated to Ontario and could form the basis for his thoughtful and progressive policy, which no longer needs to be delayed at all.

With respect to the comment that many of the elements of this bill already exist in other pieces of legislation, I acknowledge that that is the case, but one of the points I want to make is that if citizens are truly to participate, or if laypeople and not lawyers are to participate in protecting the environment and if they are to play their role in the various commissions and hearings that are established, then the most basic tool they need is to find in one place, in one piece of legislation, all the rights and privileges to which they are entitled in this province. The very fact of fragmentation across a number of pieces of legislation inhibits people's full participation in what people in this province want to do, which is to establish for themselves that they are entitled to the clean air and clean water we all hope they will one day have and that an environmental bill of rights would entitle them to. I look forward to the debate in committee.

1100

SUPERMAILBOXES

Mr. Cousens moved resolution 8:

That, in the opinion of this House, recognizing that the government of Canada's supermailbox program has created second-class citizens of many Ontario urban dwellers, this Legislature strongly urges the government of Canada to direct the Canada Post Corp. to: (1) immediately abandon its supermailbox program; (2) halt all projected installations of supermailboxes; (3) remove all supermailboxes at existing sites and to relandscape the area they occupied; (4) restore home delivery to all affected residences; and that

this resolution be forwarded to the Parliament of Canada.

Mr. Cousens: Post office bashing is becoming Canada's national pastime and, indeed, what we are talking about today is part of that whole debate and discussion.

As the MPP for Markham, I strongly support many of the federal initiatives that are going on from Ottawa. I am a strong supporter of the free trade discussions; a strong supporter of the deficit reduction of the federal government. I believe what it has done in child care initiatives in this last couple of weeks is also very progressive.

However, when I disagree with federal government initiatives, I am prepared to stand up and at least make my voice known. Among those things is the Meech Lake accord, about which I have strongly presented my views in this House. I am concerned that Toronto was not selected as one of the financial centres of this country and I am also very concerned with the direction of the post office.

I did not envy Mr. Mulroney when he took office. He went to an office after Pierre Elliott Trudeau had been there a few years and had left the place in a shambles. That is unlike the Premier (Mr. Peterson), in that when he came to office, the kitchen cupboards were full and he has not had anything like the problems the federal Conservatives have had by comparison.

We have to put a few facts on the table before we start dealing with this issue. I understand that this is not a provincial issue and the motion is very carefully worded so that it respects the federal jurisdiction. Yet during the recent election campaign very many of my constituents were interested in knowing my position. Inasmuch as I strongly concurred with the feelings that they had, though I am not able to do more than I am doing this morning it at least expresses the large, broadly felt feelings of the people from my riding.

Also, in context, I would like to table the concerns I have that the federal government has to reduce costs, government spending. These are honourable intentions, and I would like to see all governments continue to try to have a balanced budget. We all must do what we can in order to achieve that goal. The aim of the federal government to reduce costs is indeed an honourable one.

None the less, there are many problems with the supermailbox. The supermailbox is one of a number of different methods used to distribute mail in this country. Door-to-door service represents 55 per cent of what the Canada Post

Corp. does; centralized points represents 13 per cent, group mailboxes or supermailboxes represent six per cent as a national average, rural route services represent seven per cent and general delivery four per cent.

I know that other jurisdictions, France, Sweden and United States, are finding that door-to-door delivery is not a service that can be widely extended, especially in a cost-effective and affordable manner. Other jurisdictions are looking for ways of reducing those costs.

The town of Markham has all types of the services that are offered by the federal government, but instead of the six per cent national average of those who receive supermailbox or group mailbox services, close to 25 per cent of the residents of Markham receive service through the supermailbox. In other words, 15,000 households have supermailbox availability. South York region is increasingly served by this kind of delivery.

I must go on record, along with the communities I represent, as saying that we are outraged by this form of delivery. We have in the members' gallery a few leading citizens, representatives of my community, who have formed a group known as RAM, Residents Against Mailboxes. Mrs. Anne Derrett from Markham and André Foucault and his wife, also of Markham, have been very diligent in trying to draw the community together on this issue.

They have had a door-to-door canvass, they have raised money locally, they have met with all levels of government and, indeed, they are concerned that they and we are being being treated as second-class citizens when we do not have home delivery. I am pleased they are here and I am pleased they are able to have the freedom to speak their minds on this issue.

The outrage extends into some 40 different communities across this country, communities that have taken a position opposing supermailboxes. Included in those groups is the town of Markham, my own community, as well as the region of York, both of which are on record as saying they are concerned and they do not like it. The outrage can continue if this House can endorse this motion today.

Why oppose the supermailbox program? I have five reasons why I would like to have this House consider the motion extremely valid, and there are possibly other speakers who can enlighten us with some of their views as well and open it up.

The first reason has to do with the disabled. Disabled people will find the supermailbox

virtually inaccessible in bad weather. It is bad enough in good weather because the platform is raised up, there is no easement for wheelchairs and the box is difficult to reach. When snow and ice and other problems get in the way, I know the federal government through the post office will try to keep the boxes cleaned up, but still they are very difficult for the disabled to reach.

Second are the elderly who rely on their mail. There will be stormy days and many times when they are not able to go out and get their mail when the rest of the neighbourhood is able to do so. The elderly certainly have to be considered with the group of people who are receiving this service.

Third is the safety of children. I do not think people have done enough to think about the problem that exists with the location of a supermailbox in a neighbourhood. There is a peak time when people coming home from work will stop to pick up their mail. They will criss-cross the road, drive across to the opposite side to make a quick run to the post box to get their mail. The location of the supermailbox is inviting bad driving habits. It is just a matter of time before there could be an accident, and we do not want that.

We do not even want to think of the possibility, but by virtue of the way these units are located and the way people are going at them, when there is a deluge of maybe 20 cars at one time, all coming to the same place, the drivers running to get their mail, the cars going in different directions, crossing the road, the hazard to children, to people in the community, to bicycle riders, especially in neighbourhoods where there are often not sidewalks, creates a hazard that has to be addressed.

My fourth point is my concern with litter. I am thinking of my very good friend the member for York Centre (Mr. Sorbara). He is the most diligent of MPPs in distributing his mail and keeping in touch with his community. I can just see the people going to the supermailbox and getting some of this political junk mail and just throwing it away. The problem we have then is that litter from junk mail becomes one way of getting your mail in our communities. It blows to the door because someone did not bother to take it home along with the rest of the mail.

The whole problem is that people get some of this mail, not only from the member for York Centre but also from the member for Essex South (Mr. Mancini). I am sure that his constituents, if they have any supermailboxes, will do the same thing. When they get it, they just toss it away. There is so much mail that comes to people's

homes or to these boxes that people do not necessarily want, and they are so used to just tossing it away.

When it is in their homes, it ends up in a basket or in the garbage, but in my community and in others where there are supermailboxes, this rubbish, this overload that we receive, ends up blowing around the neighbourhood. That is becoming a constant concern. Who picks it up? It is the person on whose property the mailbox may exist, or it may well be someone else when it has blown several hundred yards away.

1110

My fifth point is that property values are decreasing. An illustration I can make on that is that the Ontario Municipal Board on June 30 had an assessment appeal by Mr. McWhirter in Pickering. He was challenging the assessment on his property and the taxes he was paying. He successfully argued his case that the supermailbox on his property was decreasing the value of his property and his assessment should be accordingly decreased. The Ontario Municipal Board reduced the market value of his home by \$2,000 and he had an according reduction on his property taxes.

There are other instances of this across the country, in Winnipeg, and I suspect there could be a deluge of other people applying for a review of their assessment because having a supermailbox on their property is not so super.

When we start thinking of value and property, ads in our own local paper, the Markham Economist and Sun, now will carry in the description of a home—I have one instance where it adds the pluses one would have in buying a house in that location and adds this point, “and home delivery,” as something that is included. Those of us who have home delivery take it for granted. Those who do not and want to buy a new place are saying, “Would that not be nice to have?” It is more than nice to have; they are willing to pay for it. Therefore, when they come out and look at the value of property, it becomes an issue.

These are five of a number of points. The disabled will suffer and are suffering and the elderly lose out. I am concerned about the safety of our children. I am concerned about the litter in our communities and our neighbourhoods because of the refuse that people just throw in a way that they should not when they pick up something they wish they had not been mailed and, finally, the property values themselves in these communities are impacted negatively.

What recommendations can one make? A sincere attempt is being made through this motion to ask this Legislature to look very seriously at the problems these urban dwellers have by not receiving home delivery while their neighbours do. Even within half a block or a few hundred yards of where there is home delivery, those who had a new house built in the last several years will not receive delivery. Rather than treat them as second-class citizens who are not able to receive the equivalent kind of service that others in the same community receive, through this motion we can make a strong statement to the federal government and the Canada Post Corp. to do something about it.

The simple thing they could do is abandon the program. How they do it and what they do if they have to change the level of service and if they have to continue their cost reducing—and I would endorse the federal government trying to keep up the whole attempt it has tried in the past several years to bring costs under control for this country. We all know the worst thing that can happen is for a country like ours to continue to spend, especially at the government level. It increases inflation and has many negative impacts on what we are all about. In the meantime, there is going to have to be something done about the supermailbox, and whatever the federal government can do to make up for the cost differential, that in itself should be considered.

I have one other recommendation I would like to make. I would like to reserve a few minutes after other members have had an opportunity to speak. What would be the chance of the federal government establishing a review board? I think Harvie Andre, the minister, has alluded to this before, but I think there is great merit. If we were to have at the federal government level something like the Canadian Radio-television and Telecommunications Commission which reviews broadcasting policy for the country—if a citizen of this country has any concern about a broadcast, any CBC or public agency or private agency that is in the broadcasting business can appeal to the CRTC and have a fair, honest, unbiased hearing.

Could not a similar kind of review board be established for the post office? This kind of post office would act in a way similar to the CRTC, the Ontario Municipal Board or the Ontario Energy Board where people could take their concerns, have them heard, have them understood, in a politics-free, unbiased, review agency environment.

I believe this could be an excellent way of cleaning up the whole range of misunderstanding that exists in the minds and hearts of so many Canadians. We are spending so much time bashing the post office when we could be doing so much more to build housing, to improve the economy and to clean up the environment. These are the issues that we as Canadians should be discussing and working on, but instead we continue to be fraught with a heap of concerns that centre around the Canada Post Corp.

I would be pleased to see this House endorse this motion. I would be pleased, as well, if the federal government could look not only at removing the supermailbox as a method of delivering mail but also at a way of allowing people like me, people like those from RAM and others in the community, to have some way in which they can be heard and listened to. I feel now that such a review agency as I have suggested could begin to allow that process to work, so that the citizens of Canada with a concern will know that they are going to be listened to.

I think there is much that can be done. I believe the strength is there within this country to have a post office that works. I know we are fortunate in this building to have the best little post office around and I know we are fortunate in so many of our communities that there are dedicated people in the post office. I am not here to bash the people who make the system work the way it is. I am here to seek change in a positive way, so that service for the people of our community in Markham, where so many are affected negatively, can be improved upon as can service for the other communities that have a similar concern.

Mrs. Stoner: I would first like to congratulate the member for Markham (Mr. Cousens) on putting forward this resolution. I think it is most appropriate. This matter has caused a great deal of difficulty in the growing communities of Ontario and, in fact, all across Canada. What the Canada Post Corp. has done in implementing this supermailbox scheme is to create a discriminatory system wherein communities in new residential areas in urban municipalities are treated as second-class citizens.

This becomes really obvious, and it was certainly obvious to me during the election campaign. One end of the street which had been established for a few years would receive residential mail; then in the middle of a block that service would stop and the rest of the street was discriminated against. In some areas they would have an infill situation, with an existing urban

community and a little pocket right in the middle that was not allowed home delivery. Everybody else in the whole community surrounding them was given that service.

The property situation in those kinds of instances has in fact been alluded to by the member for Markham. We are seeing a proved reduction in property value. In the properties where those boxes are situated, they are actually seeing a reduction in their market value assessment. There have been two cases in the town of Pickering where they have had \$3,000 reductions in their assessment.

It has created an eyesore. The physical size of these boxes is about six feet high and about 10 feet long. They are a real eyesore, particularly to someone who has just bought a new home and who is doing absolutely everything he can to improve the property and to be an asset to his community. They are surrounded with letters. There are not even waste-baskets provided by the post office to collect the junk mail they insist on delivering to all of us. Those communities are considered, as pointed out in the real estate ads, to be underserved, and therefore different and less happy places to exist in than some of the other older communities.

But the real discrimination and the discrimination that causes me the most problems is to the individuals who are not served by the home service, such as the elderly in our community, who find it very difficult to get out on occasion to those boxes and who, when they do get to the boxes, find they cannot get at them because they are piled high with snow, ice and slush.

The boxes are right on the edges of the road, and the ploughs come along and heap great piles of snow and refuse adjacent to them and people cannot get at them. The elderly find that difficult; the disabled find it impossible. The disabled in our communities cannot even get near the boxes and even if they can, in a wheelchair for instance, get close to the box, they cannot reach the mail itself in the little cubicles that the letters are in.

1120

The safety factor that this has created has been very obvious to me. I live in a rural village and we pick up our mail at the general store. That is what is called the joys of country living and frankly it is something I enjoy about living in Greenwood. However, I see just south of me on Westney Road in Ajax a situation that really frightens me.

What happens is that when people are coming home from work in the evening it is generally after dark because we are somewhat of a

dormitory community. People have at least an hour a day added on to their workday in travel time in the evening, so they are getting back after dark. In many cases, they are picking up their youngsters from their day care situations or wherever they have been after school. They come to their supermailbox and stop their cars, in the dark, in an ill-lit situation in many cases. Those youngsters are then let out of the car to run across the road to pick up the mail from the box. You have the same situation at the same box for a whole lot of other people coming in, a lot of vehicular motion.

People are angry about those boxes, and because they are angry they tend to respond in ways they probably should not. I have seen over and over again people driving northbound, pulling over into the southbound lane, because that is where the boxes are, parking facing the wrong direction on that roadside, getting out to get their mail, then getting in and pulling back across the southbound traffic lanes. It is crazy but they are doing it. They are doing it because they are upset with their treatment by the federal government, with the fact they are having to use these boxes. In taking those actions, they are responsible for their fate and those they endanger, but you have to look at the core and the root of the problem, and the root of the problem is the discriminatory action of the federal government in this.

Snow removal and maintenance is causing the municipalities a great deal of difficulty. They are responsible for removing the snow from the roads and do so to the best of their ability. In doing so, they are adding the snow to the sites of these mailboxes. Those of them not cleaned or maintained as much as they should be then become a problem in themselves.

I agree with what the federal government is trying to do in cutting the costs of the post office and postal services. I have real problems, though, when I compare what is happening in Canada to what is happening in Britain. In Britain, they have a 36-cent or 37-cent stamp and twice-a-day delivery. They made a profit last year of \$360 million. I do not particularly want Canada Post to make a profit, but I do think it could balance its levels of service in such a way that instead of its \$129-million deficit in 1986 it could break even.

Our stamps are 36 cents. I would not mind paying 37 cents. What they could look at, but have not dealt with, is the possibility that in delivering service to all urban area householders, to homes in urban communities, all of them, they

could deliver on a four-day week as opposed to a five-day week. By slowing the service a little bit, from five days to four days, they could deliver to everybody.

Frankly, it would not bother me one bit if my Bell Canada bill or my Department of National Revenue bill did not arrive for another day or two. It would not be a big problem and I do not think it really would be for anybody else. I would accept that as a fair level of service, a level of service that then did not discriminate against my neighbours.

I hope that the members of this Legislature will support the resolution of the member for Markham and assist me and my community, and those in the other communities of Vancouver, Calgary, Nepean, Winnipeg, Mississauga, Whitby, Montreal and Brampton as well as those of Ajax and Pickering, in receiving equitable service for urban communities across this country.

Mr. Farnan: I rise to speak in favour of the motion that condemns the continued use of supermailboxes by Canada Post Corp. Canada Post Corp. has been installing so-called supermailboxes in new subdivisions since mid-1985 and is only maintaining door-to-door service in areas where it already exists. In the process, the post office has created two classes of citizens, those in established neighbourhoods who continue to get their mail delivered to their door and those in newer suburbs who do not. If CPC has its way they never will. It is not fair.

Neighbours living on adjacent streets are receiving different levels of service. Anne Derrett from RAM complains: "I can throw a stone in any one of four directions from my home and hit a house that is getting door-to-door delivery." It is not fair.

These community mailboxes are unsightly in and of themselves. In addition, residents have complained that the presence of these supermailboxes has resulted in an increase of garbage on their property. They are extremely hazardous to access in harsh weather conditions for the well and healthy residents; under such conditions, access for the handicapped and elderly is well nigh impossible. Add to all this the increased risk of accidents due to traffic. Remember that many of these community mailboxes are located in residential neighbourhoods. Children playing in the proximity of these supermailboxes are at a higher risk of injury. It is not fair.

The supermailboxes are a grave hindrance to the handicapped. Little wonder that Earle Atkinson, chairman of accessibility for the Peel

Association for Handicapped Adults, has filed a complaint with the Ontario Human Rights Commission on behalf of all disabled Canadians. It is not fair.

Our elderly, our seniors, count on home delivery for communication with their family and friends and supermailboxes are an inconvenience, a bother and an undue cause for delay. It is a system that will bring a letter from Vancouver, from England, from the other side of the globe and deliver it to a superbox in the vicinity of a senior's home, but will not go the extra few hundred metres. It is not fair.

Do the residents who receive a lower level of service by means of supermailboxes pay less for their postal services? Not at all. For years prior to 1985, these residents of new subdivisions contributed to our postal system. They continue to pay the same amount as the rest of us for basic mailings and the same standard fee for all other postal services. It is not fair.

The real estate boards are only too well aware that supermailboxes depreciate the value of your home. More and more we find home delivery described as an added selling feature on a property. Take for example the advertisement in the Markham Weekender. It referred to, "Other features include a heated and insulated double garage, a walkout from the kitchen and home mail delivery." If your home does not have home mail delivery, it will have a lower value. It is not fair.

The judgement of the real estate boards has a basis in fact. In Winnipeg, the city assessment department has reduced the land assessment of households unfortunate enough to have supermailboxes situated on the easement adjacent to their property by some 15 per cent. This results in significant reductions in property taxes. In Ontario, several residents appealed their market value assessment on the basis that community postal boxes were placed in front of their properties. They won their appeal. As a result, these residents received a reduction in their 1987 taxes.

As more and more residents appeal their assessments, as indeed they should, we see the potential for a significant erosion of local revenue as property values decrease. This is a decrease in revenue that must impact on local levels of government. No wonder so many municipalities and cities across Ontario and Canada are on record as opposing these supermailboxes. It is not fair.

We are all aware that the Mulroney government, in its approach to this whole area, would

drastically reduce the quality of postal service and eliminate between 3,000 and 4,000 postal jobs in the process.

We should be attempting to improve the quality of postal service. This year in the United Kingdom, approximately two million homes will receive twice-daily delivery of mail to their homes. Unlike Canada Post, which had an operating loss of \$129 million in 1986, the Royal Mail showed a profit of \$360 million. The same is true of postal services in Australia, the United States, France and West Germany. All operated in the black last year.

Unlike Canada Post, which aims to cut employment levels by 14 per cent by 1991, other services have managed to stay profitable while hiring more workers. In Reagan's America or Thatcher's Britain, the post office is expanding, but here in Canada, Mulroney wants to offer reduced service, unequal service, cut postal employees and privatize. It is not fair.

1130

What I find particularly galling, although it should not surprise me, is the attempt of the Mulroney government to distance itself from this miscarriage of justice. We know that the decision to implement the supermailbox program emanated from the federal government. We know that the Honourable Harvie Andre has the official title of minister responsible for the post office. We know that the corporate plan of Canada Post Corp., which allowed it to bring supermailboxes into our neighbourhoods, was approved by the federal cabinet, and yet the federal government says it is not responsible for the post office.

To add insult to injury, we are now subjected to slick ads and brochures designed to convince us that we are in favour of supermailboxes and that we actually like them. Indeed, every postal truck in the country has been commandeered to be part of this discriminatory promotional scheme. The funding for this con job is provided by us. In fact, the very people who are being discriminated against, those who are subjected to the use of supermailboxes, are paying for these advertisements through the purchase of mail service and through their taxes. It is not fair.

I congratulate all those who have actively worked to oppose this high-handed, discriminatory, arbitrary and unmandated action by the federal government of this country. I encourage them to continue to apply pressure to this insensitive and unfair approach to the provision of postal services in Canada. The federal government must be made aware that there is a price to pay in the next federal election for

hoisting on us such a blatantly unfair system of postal service in the form of supermailboxes.

New Democrats like to believe, and we work to ensure, that we do not have second-class citizens in Canada. New Democrats have always campaigned on providing the highest level of service for all and to ensure that segments of the population are not discriminated against. We welcome support in fighting on behalf of ordinary Canadians for a guaranteed quality postal service for all. Indeed, Ed Broadbent and New Democratic Party postal critic Cyril Keeper, together with our federal caucus, have been consistently opposed to the supermailbox program from the very beginning.

Residents of Ontario and Canada can be assured that we will continue to oppose this program vigorously, both in the federal Parliament and in the next federal election campaign. In voting on the motion before us, I encourage all members of the House to support the motion. It is fitting that this parliament representing the residents of Ontario go on record as strongly opposing this blatantly unfair program of supermailboxes.

Mrs. Marland: In rising this morning to speak on the resolution of my colleague the member for Markham, I would first of all like to commend him on the resolution. I think that in discussing this resolution in this House today, we are really simply discussing one item. Simply put, we are discussing second-class mail which equals second-class citizens. We are also discussing not-so-super mailboxes.

When we are talking about Ottawa's plan to have in place by next April 1988, 400,000 of these not-so-super mailboxes, we are looking at a postal service for close to half a million people. It is very interesting when we recall that when Harvie Andre became the minister responsible for the post office, he said upon his appointment earlier this year, "Citizens have come to expect their governments to perform at least two functions: to defend the country and to deliver the mail." We are not here to discuss what the government is doing about defending the country, but we certainly are here to discuss how it is delivering the mail.

It is interesting to point out that it is not a choice of the federal government. In fact, they are bound to this service by the exclusive legislative authority given to the Parliament of Canada by the British North America Act in 1867. If postal service is one of those mandated responsibilities of the Parliament of Canada, then I think what we should be discussing this morning is how to help

it to achieve it equitably for all residents of Canada.

When we talk about the supermailbox service, what we are saying is that it means you walk to the large metal box at the end of your street. When you get there, you sidestep the debris left on the ground by the users who discard their third-class mail. The interesting thing is that if you are one of these unfortunate residents who have supermailboxes as a second-class postal service in their community, as you are walking to the end of your street you may in fact pass the postman who is delivering mail to your neighbour on the next street.

It means that in that neighbourhood, children have yet another place to hang out, another place to dart out into ongoing traffic. It certainly means an eyesore for those who have purchased a home beside what will become a littered lot. Because of that, it can mean a reduction in property values, which has already been demonstrated at property tax assessment hearings where appeals have been made on the basis of being adjacent to a supermailbox, and the Assessment Review Board has granted that consideration. In fact, some municipalities have felt so strongly about this matter that they have initiated court challenges.

The one area that concerns me most of all is the fact that we are ignoring the necessity for everyone to have access to the postal service. When we deal with everyone, we are dealing of course, as some other members have said this morning, with our senior citizens and the disabled. If they cannot enjoy the service of door-to-door mail delivery, even while neighbours can within the same city, then I think it really borders on a Charter of Rights and Freedoms issue. What access is this for disabled people? In fact, a supermailbox is no access at all for the disabled, even in good weather, but certainly no access in inclement weather. That is unforgivable.

I am happy to see that the member for Essex South, who is Minister without Portfolio responsible for disabled persons, is in the House. He is agreeing with me by nodding his head. I know that anyone who works with the responsibility for seniors and the disabled in the province—I also recognize that the member for Dufferin-Peel (Mrs. Wilson), who is Minister without Portfolio responsible for senior citizens' affairs, is here. I know she would share my concern also for seniors.

We must be very serious and very committed, particularly about this area. There is no way that

any one of us in this Ontario Legislature cannot support this very worthy resolution of the member for Markham. Recognizing that the direct remedy is not within the purview of this House, I am quite sure that the House in whose purview the responsibility lies, namely, the House of Commons in Ottawa, will look very carefully at a resolution unanimously supported by every member in the Ontario Legislature. I think the gravest impact of the use of supermailboxes is in Ontario as far as the national scene is concerned.

I would like to speak particularly about my own area in Mississauga South. Mississauga is an extremely high-growth area. The member for Durham West (Mrs. Stoner) very kindly mentioned Mississauga in her rundown of municipalities that have a concern with this lack of service, this second-class service. I am very happy she did because I know, as the former mayor of that municipality, the member for Durham West understands very clearly the problem my colleague the member for Markham is trying to address.

In Mississauga South, the Port Credit postal station now has 19 group boxes in service. It is unlikely that these households will ever have door-to-door delivery. In the Clarkson post office, we have two group boxes in use. To go beyond the riding, I would like to mention that in Streetsville, which is now a part of the city of Mississauga, residents there must visit a post office to pick up mail, because Canada Post simply does not have enough boxes to go around. They do not even have the superboxes in Streetsville, so those people do not even have that service, let alone door-to-door delivery. I think to ask those people not even to go to the end of their street but to go to the post office is certainly intolerable.

1140

I know that the federal member for Mississauga North, Dr. Bob Horner, is working very diligently on behalf of his constituents who reside in Streetsville and in the other new growth areas that are impacted with this problem in Mississauga. Certainly anywhere in Mississauga where the new development is happening—and we are aware that the growth essentially is to the northwest in the largest areas of the Creditview, Erin Mills and up to Meadowvale areas of the city—any of those people who have had this problem have been totally frustrated in trying to address the remedy. They have spoken to their city council, their provincial members and their federal members. So I think collectively we have

to decide what the remedy must be and the remedy is that they simply not be used.

If we look at the history of postal service in Canada since 1980 we will understand why it is that the resident is losing out. In 1981, Canada Post Corp., a crown corporation, was established, effectively removing the operation of postal service out of the House of Commons. Bill C-42 established the almost exclusive right of Canada Post Corp. to deliver individually addressed letters. Competitors are required to charge at least three times the going postal rate, if they wish to penetrate this market. Thus, for all intents and purposes Canada Post has a monopoly on personal, individually addressed letter mail. Even though this provision was heavily criticized by utility companies and municipalities, to name a few, what are essentially monopoly provisions prevail.

Since 1981 we have seen a reorganization of Canada Post and, at the same time, we have witnessed a great change in the business of mail. Canada Post is working hard to reduce its deficit, to modernize and to employ technological enhancements to mail service. It has also entered into other areas of mail service, in response to the increasing use of mail services by the business community. I refer to second-, third- and fourth-class mail and direct mail marketing. Advertisers in Canada will spend in the neighbourhood of \$1.74 billion on print-basis marketing in 1987, more than is spent on daily newspaper advertising and more than is spent on television advertising.

In recognizing that the federal government is trying to cost cut and be efficient, I would suggest that perhaps they consider alternative daily delivery and have an equitable reduction to all citizens in Canada.

Mr. Mahoney: It is indeed a pleasure to address this assembly on this particular issue. As the previous speaker has mentioned, our community is impacted greatly in the city of Mississauga by this particular problem.

I also find it interesting, and I want to congratulate the member for Markham for taking a shot at his federal cousins on this particular issue. I think it is quite appropriate for him to tell the people in Ottawa that he is not happy with the unilateral decision that they made without any consultation with the people of Canada, with the provinces of Canada or with the municipalities.

I will tell you as well that I spent a couple of years on the board of the Association of Municipalities of Ontario and, indeed, we are fortunate to have a past member of that board,

Mr. Carman Metcalfe, in the gallery today, the reeve of the great metropolis of Asphodel. Mr. Metcalfe would tell you that we objected very strongly at AMO to this particular deed that Ottawa foisted on the people of Canada without any warning. It brings up a particular issue and that is, will they listen? I am quite supportive of the member's resolution today, but the question is, will they listen?

Some hon. members: Never have.

Mr. Mahoney: Frankly, they never have. In the history of this, I would tell members that a couple of years ago the mayor of Mississauga; the mayor of Malton, Councillor Frank McKechnie; myself, and a couple of others met with some people in Ottawa. We had a breakfast meeting when they announced this. It was just after Michael Warren decided he was not going to take the heat for this particular decision, so he left town and they had an interim person running the post office. We said to them, "How can you do this without consultation, without discussing it with us and with the people of Canada?" The answer was: "It is done. It is irrevocable. It may be unilateral, but we are sticking to our guns and we are going to go this route."

I do not think they will listen, with all due respect to the member, but having said that, I think it is equally important that this House put on record the feelings we have about this particular issue.

I would also point out that I believe this overall thing is a strategy by Canada Post. There is more to it than meets the eye. Let me take members through a scenario of moving into a new community.

First of all, the member for Mississauga South (Mrs. Marland) referred to the Streetsville post office. Streetsville post office has car parking for about four vehicles on a good day. There are a number of new communities that are developing all around that Streetsville post office. The community of Meadowvale and the community of central Erin Mills, which has a projected population of some 25,000 people, will all pick their mail up initially at the Streetsville post office. They go there and of course they get very frustrated because they have to park on Queen Street and they end up getting a ticket and they cause traffic jams. Then what do they do?

By the way, I would add that the post office in Clarkson, and the member for Mississauga South will be familiar with it, closes at three o'clock on a lot of days and if you work for a living you have difficulty in picking up your mail at all. But after one or two years of going to the post office, being

frustrated with the parking problems and the traffic problems in the community, you get a petition up to Canada Post and you say: "We want green boxes. We are fed up with going to the post office and we want a green box." A green box is not a community box or a superbox. A green box is a bunch of little boxes stacked from right down to the ground. You provide your own lock and you go there every day and you pick up the mail. Of course you will go through one to two years of living with a green box because at least it is in the community and it is substantially better than having to drive to Streetsville or to another community to pick up your mail and have all the problems that go with that, but those boxes are ugly, to say the least.

What happens is you have some difficulty. You are going in the middle of winter getting mail and your lock is frozen and your mail is wet and it has ice on it. You get pretty fed up with that. So then you go to the post office and you say: "We are fed up with the green boxes. We want a community mailbox. It is nice. It is silver. It is shiny. It has a little thatched hut over the top of it. It looks wonderful." You actually end up petitioning the post office for this community mailbox. You see their strategy. It is very clever. They get the community asking for a level of service that is substantially reduced from what the rest of Canada has.

The other thing I found interesting is that when the mayor and council in Mississauga met with the post office to say to them, "Could you please explain what this is all about?" they brought out a little bit of a dog-and-pony show and they showed us a slide show and a film all about it. The key word in the whole program is "community." It is a community mailbox and it is going to be situated right in your community and everybody is going to gather at the box and they are going to talk about what is going on in the community.

In the middle of February in Markham they are going to get together. We have eight months of winter and four months of bad skating in this country, and they show you a film, which I think was shot somewhere in California—I am not sure—with everybody running down to the post office and talking about what is going on with little Peggy Sue at school and saying, "Is this not marvellous," and "Would you like to come back to my house for tea and doughnuts?" It is just a clear example that the federal government has no idea what is going on in Canada. They live there in Ottawa. They seem to anyway and they do not understand the sense of community.

I believe though once the community has gone this route of picking it up at the post office, demanding green boxes and now demanding community mailboxes, they are going to get fed up. I have a suggestion for the federal government that will solve this whole problem and that is that we eliminate the post office entirely. I know the member's motion does not go that far and he would not want to slap his buddies down in Ottawa with such a discouraging remark, but they could get rid of the post office entirely and put PCs in every home, and that is not Progressive Conservatives, that is personal computers in every home and we could get our mail through computers, right in the comfort of our living room. We could pay our bills. If we wanted to have a good time, we could probably punch up and find out whether our neighbours are paying their bills and have a good laugh at that.

1150

So we could eliminate the post office entirely and for the amount of money and for the deficit they are running in that wonderful crown organization. For that amount of money, I would suggest they could put a personal computer in every home in this country and have a much more efficient delivery service. So their strategy is working. Now the communities are going to submit petitions saying, "We now want you to take the mail service off entirely and put the whole system on to a computer base."

The previous speakers referred to two classes of citizens. Let me give a couple of examples.

In the community of central Erin Mills, which I mentioned earlier, we have about 25,000 people now and in the future. That is the ultimate population. In the community of Erin Mills west, which is to the south and the west, we have another 12,000 people. These are very distinct communities, both of which will be served by this particular program. In the community of Erin Mills south, which is a substantially older community of about 30,000 people, everybody gets mail delivery. So very clearly, there is a major difference in the service level between living in Erin Mills west, central Erin Mills and the established community of Erin Mills south. There is no question that is a two-class society with regard to mail delivery.

The item though that bothers me more is the issue of infill. What infill is, for those not familiar with development procedures, is where you might have a site in a community that has been set aside for a school for some seven or eight years and the school board decides it is not going to build a school, so it releases it back to the

developer and it goes to housing. It will take about 10, 12 or 15 houses on that site, depending on the size of the lot, and it will be right in the middle of an existing residential community, probably on a cul-de-sac.

I can show an example in my riding that is very close to home. The people in that cul-de-sac do not have mail delivery.

Mr. Wildman: Hey, Ed.

Mr. Mahoney: I am talking right over the member, so I do not hear what he is saying and that is just the way I like it.

In any event, the people in that cul-de-sac do not have mail delivery, yet they can talk across the back yard fence—

Mr. Laughren: Talk to yourself.

Mr. Mahoney: It is the only way I get good answers.

They can talk across the backyard fence to a neighbour in the summertime and this guy is getting mail delivery and the person on the new street, in the infill subdivision, is not getting mail delivery. Yet the post office worker walks right by the end of the street. It is absolutely absurd and it is a clear example that the government in Ottawa is not listening. We have numerous examples that we hear all the time, but this one is an absolute sham.

I support the member for Markham. It might be one of the few times that I will be supporting the member for Markham. I also support the comments of the member for Mississauga South and she will tell you it is definitely one of the few times that will occur.

It makes sense. We should be petitioning Ottawa to stop this charade, to treat all Canadians as equal in this great country, to eliminate this ridiculous program that they have started.

Mr. Swart: I am rising to support this resolution, of course, as everybody else in this House will do, I am sure.

I think I want to emphasize that what the federal government has done is not only unfair, not only hurting people, but also simply stupid and idiotic.

I want to emphasize of course, first of all, that it is being done by a Tory government.

Second, I want to point out that the resolution itself does not go nearly far enough, because it does not deal with the matter of the post offices that are going to be closed across this nation—perhaps 1,000 of them or so, including the one in Thorold likely, a city of 16,000 people. My colleague the member for Algoma (Mr. Wild-

man) has a resolution on that matter which must be supported at a later date.

I want to associate myself with the remarks of the member for Markham. I believe he is sincere in this, even though it is a Tory government in Ottawa that is doing this. It would be interesting to contemplate how he would vote on this issue if he was down there in Ottawa.

In the very little time I have I want to just deal with two items, if I may, that have not been covered. One is the matter of employment. What the federal government is doing by this is literally going to put thousands of people out of work. I can recall in this House when the Conservative government over there introduced some legislation that was going to cost \$100,000 to provide each job for people, and here we have a situation where it does not cost any capital to provide jobs and we are going to be laying off a lot of people when we could be hiring a lot more people in the post office service.

The other matter I see—I will not have the time.

Mr. Speaker: The member for Markham has reserved four minutes.

Mr. Cousens: I appreciate the support of all those who have spoken. Indeed as the member for Durham West touches upon the safety problems, I think that she has a true understanding as someone whose community has the same kind of problems as many others do where there is an increasing concern.

The member for Cambridge (Mr. Farnan) starts talking about operating in the black and I have to be very proud of the fact that we have someone from the official opposition talking about that, but in such a way that he is able to draw on the experience of Britain as did the member for Durham West. I appreciate their remarks and their support.

The member for Mississauga South indeed has the responsibility for the disabled for our party but also has a true understanding about the Charter of Rights and Freedoms and I think has raised some very interesting points that could be raised further through those who will take this even further in discussion. I believe that her emphasis on having equal access of service for everyone is an underlying principle of this resolution.

I have to tell the member for Mississauga West (Mr. Mahoney) that I have no intention of taking cracks at my federal colleagues. In fact, I believe that the Ottawa Conservatives are saints compared to the Queen's Park Liberals. When the member starts coming along and thinking there is going to be this kind of going on, I cannot betray

my loyalty to my good friends in Ottawa, except they could use some help and that is why I have put this motion in front of us.

The honourable member for Mississauga West did suggest that there be PCs in every home and I happen to know that in the PC technology, there is a 16-bit PC, that reminds me a little bit sometimes of him.

Then we also have my very good friend the member for Welland-Thorold (Mr. Swart), and this is two days in a row that we have agreed. I do not know what is going to happen tomorrow. I think we better go home or we will end up—

Mr. Swart: You will agree on public auto insurance.

Mr. Cousens: We have problems.

I have been consulting with a number of members from my party, the member for Wellington (Mr. J. M. Johnson) and the member for Hastings-Peterborough (Mr. Pollock), all of whom are very concerned as well about rural mail delivery. They are looking for satisfactory service and really do not want to see people in rural Canada treated in any way other than a quality way. I have to say that as one who has rural delivery in Markham, I empathize wholeheartedly with their concerns.

Unlike the government at hand that has made a number of promises and has not really lived up to many of them, this is one of the promises that I made during the election campaign, that I would bring a resolution forward in this House and seek support from the Ontario Legislature to Ottawa to urge them to do something about supermailboxes. I would hope that the Premier and his cabinet could do something about the many promises they have made on housing and education and on auto insurance which are still lacking.

I do not want to be mean-minded. I am so pleased to get the support that is coming from these other honourable members. I also would like to go on record as—

Interjections.

Mr. Cousens: I did not mean to upset them that much, Mr. Speaker.

The only other thing I would like to say is that in our own community, not only our town of Markham and the region of York, but also our federal member of Parliament, an independent, Mr. Tony Roman, is also strongly supportive of this resolution.

This is a time when everybody can have a little fun at the expense of the federal government. I wish we would also understand the federal

government has major problems in trying to resolve—

Mr. Wildman: They certainly do.

Mr. Cousens: They do around the post office. I mean in trying to get the economy of the post office worked out, to try to find cost-effective ways of reducing it. I would encourage them to continue in that process but please do it without making second-class citizens of those people who are presently having to be served by what are called the not-so-supermailboxes. I would like to see them abolish that program. If this resolution is passed, we can move a step closer in that direction.

1206

ONTARIO ENVIRONMENTAL RIGHTS ACT

The House divided on Mrs. Grier's motion for second reading of Bill 13, which was agreed to on the following vote:

Ayes

Adams, Ballinger, Black, Bradley, Brown, Bryden, Callahan, Charlton, Cleary, Collins, Cooke, D. S., Cousens, Daigeler, Dietsch, Elliot, Eves, Farnan, Faubert, Fawcett, Fleet, Fulton, Grier, Harris, Hart, Henderson, Jackson, Johnson, J. M., Kozyra, Laughren, Lipsett, Lupusella, MacDonald, Mackenzie, Mahoney, Mancini, Marland, Martel, McClelland, Miclash, Miller, Morin, Morin-Strom, Nicholas, Nixon, J. B., Offer, Owen, Patten, Philip, E., Pollock, Rae, B., Reville, Roberts, Smith, D. W., South, Sterling, Stoner, Swart, Tatham, Wildman, Wilson.

Nays

Runciman, Villeneuve.

Ayes 60; nays 2.

SUPERMAILBOXES

The House divided on Mr. Cousens's motion of resolution 8, which was agreed to on the following vote:

Ayes

Adams, Ballinger, Black, Bradley, Brown, Bryden, Callahan, Charlton, Cleary, Collins, Cooke, D. S., Cousens, Daigeler, Dietsch, Elliot, Farnan, Faubert, Fawcett, Fleet, Fulton, Grier, Hampton, Hart, Henderson, Johnson, J. M., Kozyra, Laughren, Lipsett, Lupusella, MacDonald, Mackenzie, Mahoney;

Mancini, Marland, Martel, McClelland, Miclash, Miller, Morin, Morin-Strom, Nicholas, Nixon, J. B., Offer, Owen, Patten, Philip, E.,

Rae, B., Reville, Roberts, Smith, D. W., South,
Stoner, Swart, Tatham, Velshi, Wildman,
Wilson.

Ayes 57; nays 2.

The House recessed at 12:18 p.m.

Nays

Runciman, Villeneuve.

AFTERNOON SITTING

The House resumed at 1:30 p.m.

VISITOR

Mr. Speaker: Just before I call for members' statements, I would like to inform the members that there is a guest in the members' gallery, Bob McKessock, a former member for Grey. Please welcome him.

MEMBERS' STATEMENTS

FIRESTONE CANADA INC.

Mr. Mackenzie: The impending closure of the Firestone rubber plant in the city of Hamilton and its potential sale to Cooper Tire is a clear example of the very real concerns of workers in Ontario and underlines the lack of protection that the law of Ontario gives these workers.

Local 113, United Rubber Workers, and its president, Charlie Scime, have been totally responsible in trying to work out a deal to protect their workers and very co-operative in efforts to sell this particular plant. With the growing concern over the negotiations and the potential sale, the president of the local, on behalf of the 1,300 workers at Firestone, wrote to the Minister of Industry, Trade and Technology (Mr. Kwinter) on November 19, underlining the very real concerns they had over the tone of the negotiations and what might be happening.

They asked for a meeting. I have a copy of their letter to the minister on November 19. I, among others, tried to ensure such a meeting for these workers. As of this morning, the minister had not even had the courtesy to respond to this letter on behalf of the 1,300 workers in the Firestone plant. It would appear that the negotiations currently being carried out do not bode well for the future or offer any protection for the workers who are involved in that plant. I think this is a classic example of why the workers have very little faith in this government in Ontario.

EAST/CENTRAL ONTARIO RECREATION
TRAILS COMMISSION

Mr. Pollock: Today I will introduce a private member's bill which is extremely important to many people in my riding. Running for a distance of more than 150 kilometres is the Marmora-Lake St. Peter abandoned railroad line. This corridor is currently used by snowmobilers, hikers, skiers, horseback riders, motorcyclists and all-terrain-vehicle enthusiasts. The bill that I

am going to introduce to the government will establish the East/Central Ontario Recreation Trails Commission.

The commission would assume ownership, maintain a safe trail, provide drainage and work out a fair agreement in regards to fencing with land owners who need fences. The commission would exercise all the responsibilities normally assumed by land owners. The commission would be made up of seven or more people, preferably from the local area. The startup point would be at Glen Ross in the south and go to Lake St. Peter in the north. It would not exclude any extension of this trail. Such an undertaking would be most beneficial. It would increase tourism and bring more people and revenue into beautiful north Hastings.

JOHN FRASER

Mr. Mahoney: I would like to draw to the attention of this House the upcoming retirement of John Fraser, the director of education for the public school board in Peel. The Peel board has a motto of "Quality Education to All" and since 1972 Mr. Fraser has laid the foundation for this motto in the city of Mississauga.

In 1979 Mr. Fraser took a four-month leave of absence to review the secondary school system in Peel. His report, "Education in Peel Secondary Schools," provided a basis for many changes in our education program throughout the province. In 1984 John was appointed by Dr. Bette Stephenson, then Minister of Education, to serve on the planning and implementation commission which dealt with provision of full funding to Roman Catholic secondary schools in Ontario.

I would also like to congratulate Mr. Fraser on being named Administrator of the Year by the Niagara University in New York state for his outstanding contribution to education. It seems only fitting that as Mr. Fraser prepares for his retirement at the end of this current school year, we honour him for his many substantial contributions not only to the school board but with the Peel United Way, the Heart and Stroke Foundation of Ontario, the Ontario Leadership Seminar, the Children's Aid Society of the Regional Municipality of Halton and the Brampton-Caledon Association for the Trainable Retarded, just to name a few.

It has been a pleasure for me to work with John over the last nine years in my capacity as city councillor and I wish him a happy and active

retirement. He leaves the Peel board in great shape.

AUTOMOBILE INSURANCE

Mr. Swart: In this house two days ago, the Minister of Financial Institutions (Mr. R. F. Nixon) said that he felt, as minister, with the information that he had available to him, which was similar to that which is available to all members of the House, the four and a half per cent auto insurance rate increase was justified.

What was that information which is available to the House? I know and the House knows that the insurers made over a billion dollars profit in 1986, one third higher than ever before in their history, and that increased by another 52 per cent in the first six months of this year.

I know and the House knows, from the recent Insurance Bureau of Canada update, that total revenue to auto insurers in Ontario in 1986 was approximately \$3.8 billion but they paid out only \$2.5 billion, or less than two thirds, in settlements.

I know and the House knows, because Ontario's superintendent of insurance said so, that insurance rates increased by an average seven per cent in the first four months of this year before they were awarded the additional four and a half per cent.

I know and this House knows that there is not a shred of evidence anyplace which showed the insurance companies needed the extra \$135 million which the government just took out of the motorists' pockets and gave to them.

I know and this House knows that the minister did not discuss with the Consumers' Association of Canada, the Canadian Automobile Association-Ontario or any other consumers' group its proposed gift to the insurance companies.

I know and this House knows that the insurance industry worked hand in glove with and for the Liberal Party in the recent election.

Therefore, I know, this House knows and all the people of Ontario know that the Liberal government has just paid with motorists' money the first instalment on its election debt to the insurance industry.

INTERNATIONAL HUMAN RIGHTS DAY

Mr. Sterling: I am pleased to rise today on behalf of my party to join with my colleagues in commemorating this very special day. Today, December 10, marks the 39th anniversary of the signing of the Universal Declaration of Human Rights as proclaimed by the United Nations in

1948. This signing signified the first time that countries paid recognition to the inherent dignity and the equal and inalienable rights of all people. The 1948 proclamation by the General Assembly of the United Nations serves as the ideal for human rights legislation in the free world.

Here in Ontario, we have been well served by the Ontario Human Rights Commission. Our Human Rights Code, based on the fundamental principles of the universal declaration, is now a quarter of a century old. Over the course of its existence, it has helped to create an environment of goodwill and understanding in our many diverse communities.

By extending this awareness and understanding to provincial, national and international levels, we can attempt to allay the prejudice that leads to discrimination and ultimately the removal of the fundamental human rights, which, unfortunately, continues to plague many areas of our world. We must reaffirm our commitment and support for human rights on a global basis. I can think of no better occasion than on the anniversary of International Human Rights Day.

EASTERN ONTARIO

Mr. McGuinty: I wish to comment on remarks made a few days ago by the member for Stormont, Dundas and Glengarry (Mr. Villeneuve) regarding economic development in eastern Ontario.

During the 42 years of Conservative governments in Ontario—

Mr. B. Rae: Forty four.

Mr. Breaugh: It is 44 now.

Mr. McGuinty: —44, the people of eastern Ontario had the feeling—

[Laughter]

Mr. McGuinty: I am sorry, I was thinking of the 42 years that my riding was in Tory hands—when we had the feeling that Toronto was 5,000 miles away. We suffered under Tory indifference to our needs for adequate highways, health care and education, among other things. I can assure the members of the Progressive Conservative Party that those days are long gone.

As chairman of the Ottawa-Carleton caucus, I can assure the House that we meet with groups regularly to deal with issues that transcend party lines, and with respect to the Eastern Ontario Economic Outlook Conference that the member alluded to, the Liberal government had supported that conference in years past. I can assure the members of the Legislature that the people of eastern Ontario are now in good hands and that

the Liberal government will continue to make up for years of Tory neglect.

1340

RETAIL STORE HOURS

Mr. Harris: Workers being forced to work Sunday after Christmas should be aware of Liberal opposition to our efforts to protect workers' rights. Yesterday, both amendments I moved to the act were defeated by the Liberal majority.

The second amendment effectively allowed all workers the right to refuse work on a Sunday following a statutory holiday; one day every seven years. It was based on the stated logic of the Attorney General (Mr. Scott) that it is wrong to allow some employers to open on Sunday after Boxing Day while others must close. I wonder why the majority Liberals would not give the same right to workers one day out of every seven years.

STATEMENTS BY THE MINISTRY

HUMAN RIGHTS

Hon. Mr. Phillips: Today, Ontario, Canada and progressive nations around the world join together to celebrate International Human Rights Day.

It was 39 years ago today that members of the United Nations General Assembly, including Canada, adopted the Universal Declaration of Human Rights. This historic document proclaims that "...recognition of the inherent dignity and of the equal and inalienable rights of all members of the human family is the foundation of freedom, justice and peace in the world." The declaration is an eloquent statement of the minimum standard of conduct which peoples of the world are entitled to expect from their governments.

We must never become oblivious to the sorry condition of human rights in certain places around the globe. Nevertheless, it is important for us to collectively reflect upon and mark some of the positive steps we have taken to bring us closer to the achievement of true equality.

December 10 is a very appropriate date for such a reflection. It is a day to remember that the violation of human rights is not simply a moral issue, it is a legal wrong which demands a legal remedy, whether in South Africa, in east bloc nations, in Latin America or anywhere else in the world.

Ontario has played a leadership role in the development of human rights. Our province was the first to pass human rights legislation in

Canada. This year marks the 25th anniversary of the establishment of our commission.

It is therefore appropriate that upon the retirement at the end of this month of the present chairman, Canon Borden Purcell, I announce the appointment of Raj Anand as the new chief commissioner of our Ontario Human Rights Commission effective January 1, 1988.

Mr. Anand brings outstanding professional and academic credentials to his new post. As a lawyer whose preferred areas of practice include human rights and labour relations, Mr. Anand has demonstrated a high level of expertise in the human rights field. As a legal writer, he has already made a significant contribution to current thinking in the critical area of equality rights under our charter. Mr. Anand recently authored a major task force report for the government on the impact of present trespass laws on youth and minorities. Through his involvement with community legal clinics, the bar association and other nongovernmental organizations, Mr. Anand has proven himself to be a dedicated human rights advocate at the community level.

Quite apart from his very impressive qualifications, I wish to convey to him how pleased I am personally that someone of his energy and talent will take on this very challenging task of heading the commission. I congratulate Mr. Anand on his appointment and I welcome him to the commission.

I would also like to take this opportunity, on behalf of the people of Ontario, to express publicly our very sincere gratitude to Canon Borden Purcell for his commitment to the advancement of human rights generally and to the work of the commission specifically.

During his stewardship, we have seen substantial improvement in human rights protection here in Ontario. This includes the important amendments that we made in the code in 1981 and 1986. As a result of those amendments, the work of the commission has increased substantially. I would like to publicly thank Canon Purcell, on behalf of the people of Ontario, for guiding us and the commission through these difficult years.

To assist the new chairperson with the many challenges that lie ahead, I am announcing today certain measures that will strengthen the ability of the commission to enforce the Human Rights Code.

We are committed to making the commission truly independent. As both a substantive and symbolic testament to this objective, within the next two months the commission will move from its current two different locations to one location

where it will be together in new, larger nonministry headquarters.

On an organizational level, as of January 1 the executive director of the commission will report only to the chief commissioner, not to the Deputy Minister of Citizenship. We will enable the commission to better provide the policy, research and communications services demanded of it during a period when its workload is increasing dramatically.

We hope that as a first step the new commissioner will quickly identify the resources he requires to enable him to go forward with his important work.

As an initial measure, the government will increase the commission's base budget by at least \$1 million. This will allow the commission to deal more effectively with individual acts of discrimination and to begin the important process of overcoming systemic barriers to full equality.

In 1987, human rights protection means much more than commitment to an abstract principle. In some cases, it means governments casting aside oppressive laws which abrogate the human rights of their peoples. It means individuals taking personal steps to change attitudes and behaviour. And it means unceasing community resolve by all of us to pursue the goal of true equality.

Human rights protection and equality of opportunity are the strengths that flow through the hands of our society. With the changes that I have announced today, I believe we move one step closer to achieving our goal, and we ensure that the force of that strength remains undiminished.

MUNICIPAL ELECTIONS

Hon. Mr. Eakins: Mr. Speaker, I would like to tell the Legislature today about the government's plans to improve the municipal electoral process in Ontario.

It is very important that the process by which municipal and school board representatives are elected is as open and accessible as possible.

As the members may recall, an Advisory Committee on Municipal Elections was established early in 1986. That committee met with a wide range of groups and individuals and received a great many written submissions before producing an interim report in August 1986. The interim report was circulated widely, more meetings were held, and more written submissions were received. The final report was released last February and circulated for com-

ments. Some 200 responses were received. So there has been extensive consultation.

It is now time to act. I will therefore be introducing, as soon as possible, legislation to put in place a number of reforms. This legislation will improve the election process in a number of ways. It will strengthen local government institutions by requiring full disclosure and reporting of election campaign contributions and expenses. It will make the electoral process more accessible to voters.

I would like to outline, briefly, the changes the government intends to make to the local government electoral process.

I would like to talk first about some of the changes that will improve accessibility: the accessibility of the election process to candidates; the accessibility of the election process to voters; and the physical accessibility of polls to disabled and physically challenged voters.

In order to make the process more accessible to candidates, the legislation I will be introducing will help to control the cost of running for office. It will establish limits on campaign expenses based on a formula related to the number of electors in the ward, municipality or school board area in which the candidate is running. It will also limit campaign contributions to a candidate to \$750 per individual contributor. This is consistent with the rules that apply to provincial elections.

In keeping with this government's commitment to openness in government, the legislation also provides for mandatory disclosure of campaign financing. Given the diversity of local government, the disclosure requirements would vary according to the amount spent by the candidate.

Candidates who raise or spend \$1,000 or less will be required to make a statutory declaration. Candidates who raise or spend more than \$1,000 but less than \$20,000 will be required to file detailed unaudited statements of contributions and expenses with the municipal clerk. Those with more than \$20,000 in either contributions or expenses will be required to file detailed audited statements with the municipal clerk. These statements will be available for public scrutiny.

1350

The new legislation will call for two mandatory advance polls. It will require that all advance polls be accessible to the disabled and physically challenged for the 1988 elections and that all polls be accessible for the 1991 elections. This government will not allow anyone to be disen-

franchised simply because of a physical disability.

Foremost among the administrative concerns was a concern about the recount procedure and the burden it places on the courts. To deal with that concern the legislation will permit recounts to be undertaken by a recount officer rather than the courts. That recount officer will be the municipal clerk or someone appointed by the clerk well in advance of the elections.

Recounts will automatically be undertaken at the request of a candidate if the spread between the winning candidate and the runner-up is less than half a vote per poll. Such a request will have to be made within seven days of the declaration of official results. Other requests for recounts will have to be made within 30 days of the announcement of official results. Appeals, disputes and irregularities will continue to be dealt with by the courts.

Another change will require elected representatives to maintain their qualifications for their entire term. This means a municipal representative's seat would be declared vacant if he or she moved away from the municipality and was no longer eligible to vote in that municipality.

The legislation I will be introducing will make Ontario's local government electoral system fairer and more accessible to both candidates and voters. Local government shapes the fabric of our communities and has a direct influence on the quality of our lives. A strong local government depends on the participation of its citizens both as candidates and as voters. The legislation I am proposing will encourage that participation which is so important to the democratic process.

PUBLIC DISCLOSURE STATEMENTS

Hon. Mr. Conway: On a point of information, Mr. Speaker: I want to notify the House that public disclosure statements from members of the executive council as per Bill 1 have been tabled today with the office of the Clerk.

RESPONSES

HUMAN RIGHTS

Mr. B. Rae: First of all, I want to say how very proud I am of the announcement that was made today by the Minister of Citizenship (Mr. Phillips). I know that all honourable members will want to join with the minister in congratulating Canon Borden Purcell on the leadership he has shown in the field of human rights for many, many years.

There are a great many people in this province who felt they did not have a voice and did not

have someone listening and someone fighting for them. I know when they have heard, over the years, Canon Purcell talking about problems of human rights, not only in Ontario but also throughout the world, they have known they had a friend in Ontario and somebody who was there for them. I know we all want to congratulate Canon Purcell on a job well done.

Let me also say how very proud I am of the announcement that has been made today by the minister with respect to the appointment of Raj Anand. I suppose I should declare on this day some kind of a conflict in that Mr. Anand and I were at law school together, but I cannot think of a better appointment. If my opinion had been asked at various times, his name would certainly have been on the list, and I just say how very pleased I am with the announcement that has been made today. I know that Mr. Anand will provide very good leadership to the province and very good leadership to the commission as it heads into the future.

Yesterday the minister was kind enough to say that he would release some documents with respect to the question of systemic discrimination, which, in fact, he has done. I want to thank the minister for the documents he has provided to us and just say to him that I hope he realizes that, having provided us with these documents, he now is under an obligation to act.

He has been presented by Peter Robertson, in his report on systemic discrimination, with three options, two of which require amendments to the law. The preferred option of Mr. Robertson, as the minister will know, is mandatory employment equity legislation.

As I said yesterday in the House, the minister's colleague the Minister of Labour (Mr. Sorbara) announced—and he may have been speaking, as he often does, off the top of his head, without knowing what he was saying—nevertheless, he said the government had no plans to bring in mandatory employment equity legislation and no plans to bring in affirmative action legislation.

I hope very much that there will be an opportunity now for the government to bring in legislation that will deal with the question of systemic discrimination. I hope that the minister will recognize that the report states very clearly that the current law and practice of the government does not give the government the power, and in particular does not give the commission the power, to deal with the problem of systemic discrimination.

The additional resources of \$1 million are fine, but it is not going to be enough. As the report

states very categorically, it is not simply a question of allocating additional money; it is also a question of making sure the commission has that additional focus by ensuring the changes in the law which will allow that to happen.

That is the question the minister has to answer. I say, with due respect to him, he has yet to answer that question clearly, and we are going to be continuing to press him on that matter in the House.

It is a day of celebration and congratulations; it is also a day for us to recognize that much still remains to be done and there are specific things the government can do.

MUNICIPAL ELECTIONS

Mr. Breagh: I would like to respond briefly to the statement by the Minister of Municipal Affairs (Mr. Eakins). It is a statement that we welcome, something we have called for over a long time, as have a number of other people. I believe the minister has a good beginning outlined here. We will be very interested in the details in the act. I have two areas of concern that I would like to put on the record now.

The first is that much of what the minister said today is a proposal to have disclosure, and it will require the filing of documents, presumably in most cases with the local municipal clerk's office. There is not much more in the way of a monitoring provision that was outlined in today's statement. I anticipate that when the minister does introduce legislation, we will have an opportunity to see in more detail precisely how that proposal will work.

The second thing I think should be noted in passing today is that although there are limits on expenditures here, it still will remain true that the rich and the poor will not have equal access to public office in municipal government. There is no proposal here to offer any assistance. I would like the minister, when he does introduce the legislation, to give us his rationale for why no moves were made in that direction, when that does continue to be a problem, particularly in major urban centres.

HUMAN RIGHTS

Mr. Brandt: I too wish to associate myself with the remarks in regard to the honouring today and the anniversary of the declaration of International Human Rights Day some 39 years ago by the United Nations.

As well, I think it is only appropriate that on this day we have Canon Borden Purcell with us in the gallery, a gentleman who has literally guided

the Ontario Human Rights Commission from the days of its infancy to the time we now share when that commission is well respected and well recognized as being the body that fights for human rights and against discrimination here in Ontario.

The career that Canon Purcell has had with this commission is one I have personally admired, and I know that admiration is shared by literally thousands upon thousands of Ontarians, who perhaps have a better way of life in our province as a direct result of the involvement of this commission in matters of concern or when decisions had to be made with respect to the protection of an individual's rights in our society.

I associate myself with the minister's remarks as well in his comments with regard to the appointment of the new commissioner and chairman of the commission. Mr. Anand is a gentleman about whom I have read a great deal, and I respect the background and expertise he brings to his new responsibilities. I look forward, as I know the members of my caucus do, to working with the commission in the days ahead.

1400

Certainly I take some pride in the fact, I say to the Minister of Citizenship (Mr. Phillips), that it was our party that pioneered the concept of a human rights commission in this province. We brought it forward with the specific view of making the province a better place for all of the citizens of whatever race, colour or creed who had made the decision to come to Canada and, more specifically, to the largest province in Canada to seek out a home in which their rights would be protected.

As we look around the world at the number of trouble spots, at the number of very, very desperate circumstances and conditions that so many people live under, even today as we speak and 39 years after that first declaration was made by the United Nations, I think we can be very proud of the successes we have achieved. But I think we also have a responsibility not to lose sight of our role in attempting to become world leaders in regard to showing the example of how rights can be protected in a society and setting this example for many other nations of the world to follow.

PUBLIC DISCLOSURE STATEMENTS

Mr. Eves: I would like to rise to comment briefly on the statement about the conflict disclosure statements referred to by the government House leader. We are very pleased to see that Mr. Aird has indicated that he would like to

become involved in the committee process when this very important piece of legislation goes to committee.

I might point out to government members that Mr. Aird has also indicated that he is not totally in agreement with the government proposals with respect to its proposed conflict-of-interest legislation. It might be noted that there were a few extensions granted, and those ministers have yet to file their statements. It will also be very interesting to see whether the statements filed by Mr. Aird today are identical with and exactly the same as those the members filed with Mr. Aird. Are the ones filed with the Clerk the same things that were filed with Mr. Aird in the first place?

I think we have some interesting legislation and work ahead of us in committee, and we look forward to discussing this in an open and forthright manner, with Mr. Aird's assistance, in committee.

MUNICIPAL ELECTIONS

Mr. McCague: We welcome the statement from the Minister of Municipal Affairs (Mr. Eakins) re the revamping of the election process in municipalities. I note the limits on spending. I just hope this does not give the message to the people of the province that they have to spend money in order to win. There are many small municipalities in the province where, as the minister knows, they spend no money on their election promises.

I presume that his research is better than that of the Solicitor General (Mrs. Smith) and that there are no municipalities within the province that have only one poll. It would be very difficult to have a recount in that regard. But we do thank the minister for the statement and look forward to the bill.

Mr. Cousens: The statements that were made covered a number of issues, but there was a statement that was not made. I am shocked that the Minister of Housing (Ms. Hošek) is making announcements outside the House and not having the courtesy to bring them into this House.

ORAL QUESTIONS

CONFLICT OF INTEREST

Mr. B. Rae: I have some questions to the Premier (Mr. Peterson) about conflict of interest in the light of the announcements that have been made today with respect to the assets that are held by various members of the executive council.

The Premier may be aware that last week Mr. Justice Parker of the Ontario Supreme Court issued a report with respect to the question of

conflict of interest as it related to Sinclair Stevens. In the course of the last part of his report he had some very critical things to say of Ontario's legislation. In particular, he was critical of the fact that the Ontario legislation has substituted one legal fiction, that so-called management trust, for another legal fiction, the blind trust, and that there is as yet in the Ontario legislation no clear rule as to what should be divested and what should not be divested.

I wonder if the Premier can comment on the statement by Mr. Justice Parker on page 352 of his report, where he says: "The management trust is a confusing and unnecessary device. The confusion will arise from the fact that the management trust has nothing to do with divestment and yet will be seen as an attempt to further true divestment."

He then goes on to say, Mr. Speaker, if I may, with your indulgence, read one last quotation: "To my mind, the hard decisions about which assets can be retained and which have got to go must be made, and those that have to be divested should truly be divested."

I wonder if the Premier could contrast that clear statement by Mr. Justice Parker with his own legislation and the statements that are made today in the disclosure statements by the members of his cabinet, which indicate that many members of his cabinet still have very substantial private holdings.

Hon. Mr. Peterson: May I refer that to the Attorney General, please.

Hon. Mr. Scott: As the honourable member knows, I had the occasion to read the Parker report and I read it somewhat differently in the result than the honourable leader does. I conclude from what he has said on the subject of management trust that he regards the word "trust" as confusing and that he contemplates that to simply state that the arrangement was one in which an asset was managed would be sufficient. That is the first point. There is a nomenclature problem that the members of the committee who are charged with hearing the matter can deal with.

He then goes on to say that in determining the propriety of an appointment to cabinet, it may be appropriate to consider assets that the honourable member considered for inclusion in cabinet owns. It may be a matter for a member of cabinet to decide that he cannot accept a certain portfolio without putting his assets in the hands of a manager or, alternatively, divesting himself of them. That is how I read the Parker report. It will be of interest to members of the committee, of

course, and they may want to make amendments to this bill.

Mr. B. Rae: I want to say for the record that this is a matter of public policy that has traditionally, in both the House of Commons and the Legislature, been one in which the Prime Minister or the Premier, the first minister, took a personal interest and had personal responsibility for. The Premier of this province has refused to answer the questions and has simply passed them on to the Attorney General. I think that is something which is disgraceful and indicates a lack of leadership on an issue where we have seen a lack of leadership for the past two and a half years.

Since he has now obviously been thrown the ball by the Premier, I wonder if the Attorney General can tell us where, in the bill that has been presented to us, it gives the commissioner the power to order divestment or divestiture of assets. Where specifically in the bill is the question of divestment discussed or dealt with in any way at all?

Hon. Mr. Scott: First, it is an aside but I think it is appropriate, Mr. Aird in his letter points out what a number of commentators have pointed out, that the guidelines that were traditional in this House were entirely unsatisfactory because they were guidelines and that a statute is absolutely necessary. I think it is a major tribute to the Premier of this province that distinguishes him from the Prime Minister of Canada that we have before the House for debate an act that is going to concretely spell out the requirements of the law. I think that is leadership.

My honourable friend is correct to say there is no reference by terminology to divestment in the proposed bill, but if he will read Mr. Aird's letter to the Clerk, which is filed today, under the heading section 7(1), it will be obvious that Mr. Aird has interpreted that section as if divestment was an option. He says, for example, at the bottom of page 3, "I have required all ministers holding interests in private companies, whether majority or minority interests, to divest or to place such interests in a management trust." That is the option.

Mr. B. Rae: The Attorney General should be embarrassed because, having finished his sentence, he realizes there is not the power to order to divest in the act, nor has Mr. Aird been able to do it because he does not have the power to order it under the act. It is right there. The opinions of Mr. Justice Parker are very clear. They are quite contrary to the legislation of the government.

I would like to ask the Attorney General this final supplementary: can he tell us whether any member of the cabinet to this point—since the Premier (Mr. Peterson), in announcing these guidelines in the law, said that in fact the ministers should conduct themselves as if the law was in place—can he tell us whether any one member of the cabinet, under clauses 8(1)(a) and 8(1)(b), has disclosed the general nature of conflicts of interests and withdrawn from meetings without voting or participating in the consideration of the matter; and if they have, in what matters have they withdrawn?

1410

Hon. Mr. Scott: I can tell the member, first of all, that the option that Mr. Aird found in the statute is precisely the one that I have read.

Mr. B. Rae: No, it isn't.

Hon. Mr. Scott: Well, he says it. They are his words that you have an option, either to place that asset in a management trust or divest yourself of it.

On that observation, the interim commissioner, Mr. Justice Parker and the government are ad idem and the Leader of the Opposition is out in the cold.

The honourable member now asks whether in fact anybody has refused to vote on any item. I cannot answer that question. I will undertake to see if inquiries can be made.

HOUSING SUPPLY

Mr. B. Rae: I have some questions for the Minister of Housing. Yesterday's report of the Treasurer (Mr. R. F. Nixon), with respect to matters of housing starts, indicates very clearly that it is anticipated that there will be 24,000 fewer housing starts in 1988 than there were in 1987. Although that is very clear, I wonder if the minister could confirm that the number of authorized units for nonprofit housing allocated by the government of Ontario is in fact going to be less next year than this year.

Can she explain how it could possibly be that she would be reducing the number of allocations with respect to nonprofit housing coming within the jurisdiction of the government of Ontario at the same time as the Treasurer is announcing that the private sector is not going to be doing the job in terms of producing new housing supply?

Hon. Ms. Hošek: It is very important to recognize that the market conditions in the province vary quite widely. The statement of the Treasurer yesterday had to do with the increased

housing supply and the fact that the market is turning down, which indeed it is.

We think that might be somewhat helpful for the production of more affordable housing in the province, because much of the province's production in the private market recently has been at the high end.

Our production of affordable housing is continuing. One of the things that I announced yesterday was the \$25 million fund of loan guarantees for the nonprofit sector. What we think will happen as a result of that is that many more units of affordable housing will be produced by the nonprofit sector, as a result of loan guarantees for land.

Mr. B. Rae: That was not an answer to my question. Perhaps I could try again. Can the minister tell us, will there be more nonprofit units allocated by the government of Ontario next year, in comparison with this year, or fewer? Which is it, more or fewer?

Hon. Ms. Hošek: The number of housing units will continue in the same pattern as before, and we will be working harder to make sure that they all come on stream.

Mr. Breagh: Just to help the minister, in fact it will be fewer by somewhere around 1,800 units in 1988 than in 1987. Could she tell us why we have spent so much time and effort putting together a network of nonprofit housing groups to meet a variety of housing needs, while last year her ministry itself, although it allocated the money, failed to deliver the units.

Why would she now cut back on the actual allocations for the number of units? She has spent all this time and effort encouraging people to put together nonprofit proposals. We know where they are. We know how to do it. Her ministry might even get its act together this year. Why would she now start to cut back on the number of allocations?

Hon. Ms. Hošek: The number of allocations is not being cut back. What we are doing is proceeding apace in the plan that we had, which is a three-year plan. The number of units will be increased and one of the things that we have done is to increase the possibility of producing the units more quickly, as a result of the land process.

TRADE WITH UNITED STATES

Mr. Brandt: Yesterday I had raised a question with the Premier (Mr. Peterson) regarding the whole area of free trade and the provincial position with respect to that issue, and while the Premier was haranguing to some extent about his

negative attitudes towards free trade, his Treasurer (Mr. R. F. Nixon) was at the selfsame time releasing a report which indicated some support for free trade.

To take one of the statements from the report—

Mr. Speaker: Is the question to the Premier or to the Treasurer?

Mr. Brandt: It is to the Premier.

The statement out of the report which I would like to quote indicated that, "The net effects of mutual tariff reduction will be very small, but marginally positive." Would the Premier give us his interpretation of what that statement implies as it relates to provincial economic activity?

Hon. Mr. Peterson: I will refer that to the Treasurer.

Hon. R. F. Nixon: I appreciate that, Mr. Speaker. After all, as the honourable member has indicated, I had the honour of tabling the report. It is the second Economic Outlook and Fiscal Review which the Treasury has been able to present to the Legislature for the particular use of the standing committee and all members. I am very glad the leader of the third party has read the report, or at least the headline in the *Globe and Mail*.

I think he should be aware that the policy of the government is very much in favour of improving trade and that any improvement that is a result of the reduction of tariffs is much to be desired. That is why the government of Ontario strongly supports the General Agreement on Tariffs and Trade, which reduces trade with all the countries that are signatories of that agreement.

Mr. Harris: Reduces trade?

Hon. R. F. Nixon: On this particular deal, if the honourable member had read past the headline in the *Globe and Mail*, if he had read the report he would know that the report is very critical of the deal that the honourable member supports, which is at the initiative of the government of Canada, in that it fails to gain secure access; it fails to take account of higher Canadian adjustment costs; it fails to remove export tax on softwood or get access to defence procurement; it limits regional industrial development policy; and it fails to give safeguards for future foreign investment in autos.

The report is a balanced one; it is a very useful one, and it does not support in any way the so-called trade deal that the honourable member is pushing with all his might.

Mr. Brandt: Since the Treasurer is now fielding these questions on the trade matter, I wonder if the Treasurer could comment. Since he

is in favour of reducing tariffs and any inhibitors to trade between all nations of the world that we deal with, and I guess more particularly the United States, since 90 per cent of our trade out of Ontario goes to the United States, would the Treasurer tell us what plan he has in mind to reduce these barriers, these tariffs that exist at the present time, outside of or as an alternative to a free trade deal? Does he have some other secret plan in mind that he would like to share with us?

Hon. R. F. Nixon: There is nothing secret about our support of improving trade. As a matter of fact, I attended the first ministers' conference as an observer and heard the Premier say that liberalized trade is everyone's goal, and I believe that is true for every member of the Legislature and every person in our provincial jurisdiction.

Mr. Brandt: How do you accomplish it, Bob? Come on.

Hon. R. F. Nixon: All right. The policy of the province is strongly in support of Canada as a signatory of the General Agreement on Tariffs and Trade. We have sent delegates to the present round of these discussions, and we hope that this is going to mean a meeting of the minds in all the trading countries in the western world that is certainly going to be to the advantage of Ontario.

Mr. Brandt: The Treasurer's own report indicated that the trade deal would "lower consumer prices and modestly increase real incomes in Canada." I will tell members, given the anti-free trade attitude of the government, the author of this report was a very brave man or woman indeed, if the Treasurer has read his own report.

Does the Treasurer agree with the report he released yesterday that, in fact, as a result of this trade deal, consumer prices will go down and real incomes will go up? Or, alternatively, does he disagree with the report he tabled in this House yesterday?

Hon. R. F. Nixon: I tell you, Mr. Speaker, that this is a very valuable document and I agree with it, because it points out clearly—

Mr. Brandt: That's all I want to know.

Hon. R. F. Nixon: Well, that is not the end of the answer.

Interjections.

Mr. Speaker: Order.

1420

Hon. R. F. Nixon: Are you going to help me, Mr. Speaker, or will I speak over—

Mr. Speaker: Order.

Hon. R. F. Nixon: It is quite clear that the view of the government of Ontario in opposition to this deal is associated with its very serious shortcomings having to do with the auto pact, having to do with the role of the agricultural industry, particularly the food processing industry, and having to do with our rights to regionally expand our trade. If the honourable member feels this is some sort of a feather in his cap, he is wrong again.

MINISTER'S ROLE IN TRANSMISSION LINE DECISION

Mr. Sterling: If I get a chance to ask this question over the interjections, I would like to ask the Premier if any of his members of cabinet, over the past two and a half years since he became Premier, have either declared a conflict with regard to their private interests, or have appointed another minister to act in their stead over those two and a half years?

Hon. Mr. Peterson: I am not sure I am aware of any. This is something I can check. Obviously, that is the intention of the legislation. I am not aware of any at the moment.

Mr. Sterling: Was the Attorney General (Mr. Scott) involved or did he become involved in a cabinet decision with regard to the Bridlewood hydro corridor over this past few weeks and over the past two and a half years?

Hon. Mr. Peterson: The answer is yes.

Mr. Sterling: I think there is a serious problem with regard to the Attorney General's involvement with this particular decision. The Attorney General acted as legal counsel for the joint board some 12 or 13 days before he was sworn in as a cabinet minister under the Premier's premiership. The appeal, in two parts, was against the process. The Attorney General's involvement before the Court of Appeal and the Divisional Court was to uphold that process.

I feel that in this particular case, the Premier should refer this matter to Mr. Aird so the commissioner can immediately report back to this Legislature whether there was a conflict. Will he refer this to Mr. Aird immediately?

Hon. Mr. Peterson: I am very much aware of the situation the honourable member raises, that particular case. In my judgement and in the judgement of others, there was not a conflict. My honourable friend thinks there is a conflict of interest. I can tell him the Attorney General sought legal advice from Mr. Robinette and others prior to his assuming the job of Attorney

General, and he was satisfied in his own mind that there was not a conflict of interest.

I do not assume that the member will ever agree with that, coming from where he does. But I do not believe there is a problem and certainly I have no problem at all referring that to the commissioner. In fact, that is his responsibility.

HOURS OF WORK

Mr. Mackenzie: I have a question for the Minister of Labour.

For two years, the union representing the workers at Stelco's Hilton works, Local 1005 of the United Steelworkers of America, has been trying to get the ministry to enforce the sections of the Employment Standards Act that would reduce the excessive amounts of overtime the company is scheduling.

The minister has a letter dated November 26 which outlines the many delays. Without going through them all, the bottom line is that his ministry has done nothing. Meanwhile, hundreds of workers have lost their jobs and recall rights, and even the 400 workers hired for summer relief are now gone.

Could the minister tell us what steps he is prepared to take to reduce the excessive overtime being worked at Stelco's Hilton works?

Hon. Mr. Sorbara: The letter dated November 26 that the member refers to has not come to my direct attention. I assume officials within my ministry have received it. If I cannot answer fully to the member for Hamilton East today, I will undertake to do so early next week.

The issue at that particular plant has been under some dispute, as the member says, for a very long time, and there is disagreement as to what actually constitutes overtime; whether the terms of the collective agreement ought to apply or the terms of the Employment Standards Act ought to apply.

His question was: what are we prepared to do with it? I should just tell him, as I have on other occasions dealing with the issue of overtime, that now that the work of the Donner task force has been completed, I would anticipate changes based on that work.

Mr. Mackenzie: If the minister has not yet seen a copy of the letter dated November 26—which is damning in its indictment of his ministry—then we obviously have a problem in the Ministry of Labour.

It appears that once again, as with McDonnell Douglas, the minister refuses to prosecute, indeed even to investigate some of them. This is a

virtual licence to companies to flout the laws that are meant to protect workers.

McDonnell Douglas and Stelco are large plants with large and powerful unions. What message is the minister sending to the thousands of workers in smaller plants and unions and many unorganized work places where the workers are even more dependent on the laws of Ontario? Can the minister give us a commitment today on when the problems at Stelco will be resolved?

Hon. Mr. Sorbara: I realize that it is important from the political perspective for the member for Hamilton East, and indeed the Leader of the Opposition (Mr. B. Rae), in whatever comments they make, to suggest that the Minister of Labour is not doing his job. Historically, we have seen that as long as I have been doing it.

The fact is, he referred in his supplementary to McDonnell Douglas. There were allegations early on in that situation that somehow we were not taking action, and the member for Hamilton East has not yet taken up an opportunity during question period or otherwise to suggest he was satisfied with the resolution of that dispute. Maybe some day he will.

I cannot give him a specific date with respect to Stelco. I can simply tell him that we will look into the matter and that the reforms we will be proposing will be based on the work Arthur Donner has undertaken.

RETAIL STORE HOURS

Mr. Harris: Yesterday we dealt with a bill that requires working on Sunday, December 27, to be a voluntary choice only for employees of large retail stores. Can the Minister of Labour tell us why the government opposed our amendment to allow that same voluntary choice for all employees of retail stores that would not normally be open on a Sunday?

Hon. Mr. Sorbara: The answer to that question is rather simple. The whole thrust of the bill that we gave second reading in this House yesterday was to provide protection for workers who may, under some circumstances, be asked to work in stores that are legally required to be closed. It was a simple act that provided for reinstatement and/or compensation in the case of dismissal.

There are certain stores which will be opened on December 27 because of the Sabbatarian exemption that is contained within the Retail Business Holidays Act. Inasmuch as the act that I introduced and that was given second reading yesterday was an interim measure, it was our

determination not to expand the rights within the context of that bill.

Mr. Harris: In deciding not to prosecute large businesses for violating the law by opening the Sunday after Boxing Day—and the amendment only dealt with Boxing Day, one day every seven years—the Attorney General (Mr. Scott) argued when he allowed it that it would be unfair to force some stores to remain closed while others could benefit from what he called a loophole in the law.

I guess I would ask the Minister of Labour why somehow it is fair to force some retail employees to work on this one Sunday with no recourse or protection while others will receive special treatment by way of legislation from his ministry for one day every seven years because of what the Attorney General said was a loophole in the law. The minister has given the protection to all the stores, they can all open; why not the same for the workers one day every seven years?

Hon. Mr. Sorbara: My friend the member for Nipissing will know that the requirement or lack thereof to work on any Sunday is broad and diverse, depending upon what occupation a particular worker has and the nature of the industry he or she works in. For example, operations like hospitals, airports and industries that are in continuous operation are situations where workers in those industries have to work on Sunday. In the retail sector as well there is a broad variety of rules and regulations that apply.

When my colleague the Solicitor General (Mrs. Smith) announced the changes in respect of Sunday shopping, I undertook that we would be looking at what appropriate protection there needs to be for retail workers, and that work is ongoing right now.

My friend wants specific protection for December 27 for a specific field. I suggest that within the context of Bill 51, we have offered a measure of protection.

1430

SENIOR CITIZENS' SERVICES

Mr. Velshi: First of all, I would like to take this opportunity to congratulate Raj Anand on his appointment. He has a tough job ahead of him and I wish him well.

My question is directed to the Minister without Portfolio responsible for senior citizens' affairs. What is the status of the one-stop-access projects and when will the first projects be operational?

Hon. Mrs. Wilson: One-stop access is an integrated approach to the delivery of a broad range of community-based health and social services for the elderly and for the disabled.

Earlier this year, five pilot projects were announced. They are to be introduced in two phases.

The first three projects will be introduced this fiscal year. They are in Huron county, the district of Cochrane and the regional municipality of Waterloo. The phase 1 sites are currently in the process of consulting with their local communities so that they may each develop a project which is unique to the needs of their respective communities. I expect that their proposals will be in early in the new year for implementation this spring.

The phase 2 projects are in, first, the municipality of Metropolitan Toronto—the borough of East York—and, second, the area of Prescott-Russell and Stormont, Dundas and Glengarry. Our aim is to have these sites operational in the fiscal year 1988-1989.

Mr. Velshi: Here in Metropolitan Toronto the pilot project site in East York has local interest. Can the minister tell this House if the introduction of the one-stop-access pilot project is being delayed by the introduction of the integrated homemaker program?

Hon. Mrs. Wilson: The integrated homemaker program is a very important part of one-stop access, and for this reason the integrated homemaker program was fast-tracked in East York. It will be implemented effective January 1. I had an opportunity to meet with Dennis Flynn, the Metro chairman, just yesterday and to formally invite the municipality to present a proposal on behalf of the borough of East York for implementation of its one-stop-access program. I do expect that their program will be implemented on schedule.

NURSING HOMES

Mr. D. S. Cooke: I have a question of the Minister of Health. It refers again to the forced relocation of residents of two nursing homes in St. Thomas, Caressant Care and Rest Haven.

Why has the minister appointed Harvey Nightingale, the president of the Ontario Nursing Home Association, to be one of her representatives to go and find out the facts of what is going on in this community when she knows as well as I do that the Ontario Nursing Home Association is an industry lobby group. It is not representative of the best interests of the residents of nursing homes but is there to represent the interests of the owners of the nursing homes.

Hon. Mrs. Caplan: First, the member's facts are incorrect. Let me clarify for him what the status is. I have asked the Assistant Deputy

Minister of Health, institutional health, Randy Reid, if he will go to St. Thomas as my representative to gather the facts and bring them back to me.

I happened last week to be meeting with the Ontario Nursing Home Association. I mentioned to them my concerns in that area, which had been expressed very well by the member for Elgin (Miss Roberts) on behalf of the people of the community with whom she had met. They expressed concern as well from the perspective of their industry and their members and offered to go out on their own initiative and do their own investigation and report back.

Mr. D. S. Cooke: In answer to a previously asked question, on December 7 the minister indicated that she had asked the Ontario Nursing Home Association to go to St. Thomas, and in press clippings she indicates that she had asked the president of the Ontario Nursing Home Association to go out and find out what was going on and to report back.

Who is representing the residents of these nursing homes? It is certainly not Harvey Nightingale. Who has she got out there representing the residents? She knows very well that her own assistant deputy minister in charge of institutions is very closely connected with Harvey Nightingale. I would like to make sure that the residents are being protected, not the Ontario Nursing Home Association.

Hon. Mrs. Caplan: Let me respond in this way and say to the member that my primary concern is the quality of care for the residents across this province and those, in this particular case, in nursing homes. Let me say as well that my approach to resolving these kinds of issues is to gain as broad a perspective as I can from the different points of views as to what the issues are.

I accepted the offer of the industry representatives to go out and give me their perspective. I asked the assistant deputy minister, Mr. Reid, to go out and give me his perspective. I am pleased to hear from the member. I have heard, as well, from my colleague the member for Elgin. Once I have gathered all of this information, I hope to have a broad perspective so that the decision I make will be in the very best interests of the people in that community and those in the nursing home.

USE OF GILL-NETS

Mr. J. M. Johnson: I have a question of the Minister of Natural Resources. The minister is well aware of the controversy between the commercial fishermen and anglers over the use

of gill-nets. What is the minister doing, if anything, to resolve this issue?

Hon. Mr. Kerrio: The very first thing that we are doing is to establish how much we have to harvest in that resource. It is something that needed doing for a good long time and for the first time in the history of this province we are making assessments of the Great Lakes to see what is there to be harvested. The member for Cochrane South (Mr. Pope) of course realizes that he never ever did that while he was the minister and he is somewhat disappointed that we are doing it now.

Having said that, we certainly have taken the initiative on buying out gill-netters in Ontario. We are very cognizant of the fact that the resource has to be divided among commercial fishermen and sports fishermen. We are doing what is in the best interest of the resource to not only protect it but also to bring it back to the kind of experience that we had in this province not all that long ago. That is being done and it is in good hands, I must say.

Mr. J. M. Johnson: Many people feel that trap nets instead of gill-nets would be the answer and many commercial fishermen have their money tied up in gill-nets. Would the minister give consideration to financially supporting these commercial fishermen to switch to the trap nets?

Hon. Mr. Kerrio: Of course, I am fully aware of the fact that the incidental catch and the loss of incidental catch is greatly reduced by the use of trap nets. As I said before, the first initiative that was taken was to buy out some of the gill-netters and in some parts of Ontario they are completely gone. For instance, on Lake St. Clair, all of the gill-netters have been taken out of that fishery.

I am not sure that I could respond and make a commitment that we would be talking about now going in another direction to put money into a situation where we would change from gill-nets to trap nets, but I would assure the honourable member that we are intent on keeping as viable a commercial fishery as we can with the available harvest that is there; and certainly addressing the concerns of sports fishermen, whose numbers have really burgeoned in the last few years because of greater opportunities in the province.

SALE OF DRUG-RELATED EQUIPMENT

Mr. McGuinty: I have a question for the Attorney General. As I plod my weary way at the end of each day up to my spare monastic cell provided by the Ontario taxpayers, I pass a number of shops in which there are for sale some rather curious paraphernalia. One day I asked

one of the natives what was in the windows. He was a typical bystander with his long hair and beads, a genuine Canadian artefact manufactured in Jersey City.

When I asked him to explain what was for sale, he asked me if I was from some town I had not heard of by the name of Dullsville. Then he went on to explain to me that in these stores there were for sale scales for weighing opium and pipes to smoke it, vials for hashish oil and papers for rolling marijuana and clips for holding burnt-out ends of what he referred to as joints. Although I spent a lot of time in joints, I still have not found out what this stuff was.

1440

Mr. Speaker: The question is?

Mr. McGuinty: My question is, if the substances for whose use, trafficking and consumption such devices are intended are illegal, why are such items permitted for sale?

Hon. Mr. Scott: First of all, I would like to take the occasion to welcome the member to Toronto.

Secondly, I take the substance of his question to be that these articles offered for sale can be used in the commission of acts that are prohibited by the criminal law. They can also be used for other purposes. The honourable member will remember it was not long ago that behind the barn one rolled one's own cigarettes made of real tobacco or pine needles; so these instruments are not instruments of crime, they are neutral instruments. It has not been the practice of the Criminal Code of Canada, passed by the Parliament of Canada, to make their possession unlawful, any more than it has been the purpose of the law to make unlawful the possession of a knife, a rope or a match.

Mr. McGuinty: My supplementary is based on two preamble statements. First of all, the possibility of a knife being used for crime surely should not preclude its being sold, whereas the probability of devices being used for illegal purposes should. My question is, is there a distinction in law in that context between probability and possibility?

Hon. Mr. Scott: Some honourable member or some bystander has sent me a note apropos the member's question that says, "I have drafted a response to this question." But unfortunately, the response to the question is not enclosed, so I will have to do the best I can.

I think the answer to the question essentially is that the law does not prohibit the possession of artifacts unless they are absolutely unlawful in

any possible utilization, such as, in some instances, guns or revolvers. What the criminal law does do is prohibit their use in designated ways, and it is in that sense that the use of drugs is prohibited but not those artefacts, such as a Bunsen burner or a spoon or a pipe, which may be used in fact to ingest them. That, Mr. Speaker, is the best I can do.

USE OF PRESCRIPTION DRUGS

Mr. Reville: I have a question to the Minister of Health. The question is also about drugs. However, it is a serious question, whether in Toronto or in Ottawa. It has to do with the fact that 20 per cent of all elderly persons admitted to hospital are being admitted because they have a drug problem.

We have had nothing to date from the Minister of Health to indicate that she is concerned about this very serious problem. Will she today signal concern by immediately making public the study by Dr. Goldberg and others on prescription drug use, which the previous Minister of Health commissioned some nine months ago?

Hon. Mrs. Caplan: Let me say that I am aware of the recent publicity around this particular issue and express my own concern. I am very aware that the number of senior citizens entering hospital with cognitive impaired drug reaction or a combination of drugs is increasing. I am also aware that in my own municipality recently they had a "Bring your drugs in a brown bag" event hosted by the public health department and that it was not only a successful day in assisting seniors but also drew attention to what I believe is potentially a very serious issue.

I am attempting to address that now, in the few weeks I have been at the ministry. This is on the agenda, and I am hoping to have a more comprehensive response in the very near future to the kind of action we can take to begin to look at this as an issue. It is quite complex and worthy of some discussion, and I invite the member opposite to give me his suggestions as I look at the different ways we can address this very serious issue.

Mr. Reville: With respect, I did make a suggestion. Will the minister release the study that has been prepared by four eminent scientists who are experienced in the prescription of drugs? I understand that study has been residing in the Ministry of Health for about three months now.

The problem the minister describes as being serious is very, very serious indeed. We have doctors scribbling prescriptions like crazy. We have large numbers of seniors who, as she points

out, are being admitted to hospital because the drugs that have been prescribed for them are making them sick.

Will the minister not now release the study, together with her proposals for making sure the Ontario drug benefit plan, which is a good plan, does not rapidly become a scandal?

Hon. Mrs. Caplan: I am extremely concerned about the issue the member opposite has raised. I would like an opportunity to review the study he has referred to, and I must say I have not had an opportunity to date to thoroughly review that. As soon as I have had that opportunity, I would be pleased to make it available to him, and publicly, and issue the invitation once again to have not only the member opposite but also any other member of this House who would have any suggestions and would like to do so come forward with information or documentation of specific cases. I would be pleased to hear them, but as well, I believe we have to approach this complex issue in a comprehensive way. I invite the member to join me as we look at this.

FRENCH-LANGUAGE SERVICES

Mr. Villeneuve: Some nine weeks ago, I wrote the Premier a letter requesting that a committee of the Legislature address the implementation of the French Language Services Act, Bill 8. To date, I have received no reply. What does the Premier intend to do with the implementation? It is creating a lot of problems.

Hon. Mr. Peterson: The member is right; at the moment we do not have any plans to have a committee to do that. We are not persuaded that would be helpful in the implementation. That being said, it is always one of those questions that is under review.

Mr. Villeneuve: The government has done a woefully poor job of communicating the implementation of this particular act. The Premier should be aware of the many communities, particularly those close to designated areas, and the concerns expressed by unilingual Ontarians, particularly in those jobs that touch the Liquor Control Board of Ontario, Ontario Hydro, government-funded institutions and hospitals. Would he not seriously consider bringing the implementation of Bill 8 to a standing committee of this Legislature?

Hon. Mr. Peterson: I appreciate the honourable member's advice on this matter, and I can tell him it is something that has had a considerable amount of discussion by the government. As I said, we are not persuaded that is the appropriate approach at the moment.

I appreciate the member's question, because I think it is given in goodwill by a member who wants to assist all of us in resolving some of these problems that have in fact developed. I appreciate his constructive suggestion. It is not one, as I have said, that we have chosen to adopt at the present time, but I assure my honourable friend it is something we will constantly consider, and if we think that is an appropriate approach or would be helpful, I can assure members we will then have further discussions with my honourable friend about how to do that.

ETATECH INDUSTRIES INC.

Mr. Neumann: My question is for the Minister of Industry, Trade and Technology. It deals with an industry in my community, Etatech, which over the last few weeks has been in receivership. A recent story in the press indicates the receiver has announced that the highest bidder is a liquidator. Despite attempts over the past several weeks to work out an arrangement to continue this operation and try to save the 60 to 80 jobs involved, it appears the company will now be closed.

My question to the minister is, has his ministry explored every possible avenue and done everything in its power to ensure that every possibility has been explored for this company to continue as an ongoing, viable operation?

1450

Hon. Mr. Kwinter: I thank the member for his question. I should tell members that the member has been monitoring this very closely over the last few weeks.

The situation is that we as a ministry, through our Ontario Development Corp., have provided substantial funds to that company. We have advanced loans of \$900,000. The company is unfortunately in receivership. The receivers, Peat Marwick, were given instructions to realize on the assets and they put it up for bids. We tried to encourage the receiver to accept a bid based on keeping the company going. Legally, unfortunately, they have to take the highest bid and the highest bid by about \$200,000 was from a liquidator.

Mr. Neumann: If one of the lower bidders has been willing, as I understand the case to be, to consider the operation viable and continue it, has the ministry explored the possibility of working in co-operation with the employees on some kind of joint venture basis between the workers and a lower bidder, providing some assistance and keeping this company going, in view of the fact that the products made by Etatech, as I under-

stand it, are not available from other Canadian suppliers and Canada as a country would lose the jobs and the production?

Hon. Mr. Kwinter: The member is right. The company manufactures specialized motors. We have been in a position where we are exposed to the tune of about \$518,000. We are not in a position to take over the company because of its problems, but certainly if any proposal had been made that showed some viability, we would co-operate and do what we could to help save it.

TRANSIT SERVICES

Ms. Bryden: I have a question for the Minister of Transportation. The minister may be aware that last week I presented a petition in the House addressed to the Lieutenant Governor and the Legislative Assembly, signed by 38 riders on GO Transit buses in the Oshawa-Toronto downtown corridor. In their petition, the riders complained of stress, backache and fatigue resulting from the use of outdated and inappropriate equipment on the two-hour trip they make twice daily, five days a week.

Since in the throne speech the government promised to "address the issue of transportation in the greater Toronto area," when can the riders on this route expect a replacement of the old and inappropriate equipment provided by GO Transit at present, which is seriously affecting their health?

Hon. Mr. Fulton: The member for Beaches-Woodbine is perhaps not aware that the sale of some of that used and outdated equipment is in fact being exercised almost at this very moment. GO Transit is in the process of ordering new equipment, both for the roadways and the bus system. GO Transit is also in the process—

Mr. Breagh: GO rail system.

Hon. Mr. Fulton: She will be aware, I am sure, via messages from her colleague the member for Oshawa (Mr. Breagh) that we are expanding the rail service of GO Transit, both east and west on the lakeshore line, and expect to have revenue service available by December of next year, a promise we made in October 1985 and a promise this government is keeping.

The member will also be aware that we were very much involved and aware of the tremendous congestion within the Metropolitan Toronto area and surrounding regions. Because of that, when we took office, we appointed certain review committees. One has reported.

The member will be aware of the generosity of the Treasurer (Mr. R. F. Nixon) to the greater Toronto area, so that on May 13 of this year we

were able to announce an additional \$130 million for the region of Metropolitan Toronto and the surrounding regions to address not only the increased level of service from GO Transit but also those other areas of relieving the congestion around Metro and the surrounding areas.

Ms. Bryden: I thank the minister but I have a question following from his reply. If he is selling the buses today and does not bring the train service in till a year from now, what are the people going to travel in while that year is going by? I hope better equipment.

Mr. Speaker: Question.

Ms. Bryden: My second and more significant questions is, of that money the minister says he is spending in the greater Toronto area to improve service, is he increasing the grant to the Toronto Transit Commission to get more people out of their cars in order to relieve that congestion?

Hon. Mr. Fulton: The member must have misunderstood the first response. Of course, when we are selling off or trading a bus, we are replacing it with new equipment. We are not diminishing the number of buses in service in GO Transit. We are in fact expanding that.

The member will be aware that through the office of the Treasury, we are spending \$100 million this year in expanding GO service throughout the regions of Metro and the surrounding areas. We have a commitment to improving transit operations and roads operations in Ontario and we are carrying out our responsibilities on that commitment.

CONTINUING EDUCATION

Mr. Jackson: I have a question for the Minister of Education. Yesterday, I raised the issue of the findings of the Dobell report on adult and continuing education for Ontario school boards. For some reason, he has seen fit not to table that document in this Legislature. Perhaps it has to do with the fact that his government is on record as promising to provide full funding for these costs. In 1987, his government guesstimated and funded at the rate of \$1,900 per adult student. This report clearly establishes that the full costs will be \$3,075 for 1988. Will the minister make the announcement today, confirm this funding and simply put his money where his promise is?

Hon. Mr. Ward: The member for Burlington South is always quick to accuse this minister of suppressing information. I point out to the member that in fact the reports he refers to were the reports of the task force on continuing

education, as well as a report undertaken by the Ontario Association of Education Administration Officials, for which the ministry provided funding and at the same time indicated to those organizations that the dissemination and the utilization of the material was totally at their discretion. They are free to release that information in any form or any manner they choose. That is the first point I would like to make.

Second, I want to reiterate the answer I gave to the member yesterday. This government is firmly committed to the funding of continuing education in this province. We will give careful consideration to the recommendations contained in both of those reports. Frankly, I am quite certain that the material contained therein, as well as the work of Professor Lawton from the Ontario Institute for Studies in Education, will provide us with an excellent resource to assist us in determining what those costs are and what level of funding should flow next year.

Mr. Jackson: The minister has been sitting on this report for over two weeks. He knew it was coming. Ontario school boards deserve a straight answer from me—from you.

Interjections.

Mr. Jackson: At least they are getting a straight question from me. We are waiting for a straight answer.

His 1987 funding commitment for adult education expires in 21 days. There will be no more funding for Ontario school boards after 21 days. Access to these programs will be cut off in school boards across Ontario, programs like literacy training, English as a second language, special skills upgrading programs for women who are seeking these programs to better their employment opportunities. All across Ontario, specifically in northern Ontario where they do not have access to post-secondary institutions or skills training institutions, they have to go to their local high school. These programs are going to be cut off in 21 days if the minister does not provide the funding.

1500

Mr. Speaker: The straight question is?

Mr. Jackson: Where does the minister suggest that the hundreds and possibly thousands of Ontario residents who are seeking these programs go in January when those programs are cut off? Where is the minister going to tell them to go?

Hon. Mr. Ward: Let me first clarify that the member's question is not even straight, because again he accuses me of suppressing a report that

is not a report of my ministry but a report of an independent task force that is free to disseminate and release that material. Perhaps they do not want to give it to him; I do not know why. I assure the member that we are indeed committed to funding continuing education in this province. It was our ministry that sought their input in terms of determining the costs of extending those programs; and after giving careful consideration to those outside reports, we will be forthcoming with our grant announcements.

ONTARIO YOUNG TRAVELLERS PROGRAM

Mr. Campbell: My question is also to the Minister of Education.

Mr. Wildman: Just lean over and ask him.

Mr. Campbell: I might just do that.

The question deals with the Ontario Young Travellers program which currently is in effect to bring students to Toronto to visit the Legislature, the museum and so on. I am wondering if the minister has considered, and what the status is of that consideration, a young travellers program expanded to other parts of the province, such as northern Ontario with Science North or Old Fort William in Thunder Bay.

Hon. Mr. Ward: I thank the honourable member for his question. I am happy to indicate to him that indeed the ministry does have programs that encourage those kinds of educational trips to northern Ontario.

Interjection.

Hon. Mr. Ward: The interjection from the member for Sault Ste. Marie—

Mr. Wildman: Algoma.

Hon. Mr. Ward: —seems to indicate that those programs are underfunded, but I will say that those programs have been well received and our ministry will continue to encourage such programs.

WASTE DISPOSAL

Miss Martel: I have a question for the Minister of the Environment, and I know I have to get it in one because the answer will be prolonged. The minister will be aware that there is a very serious environmental problem which is still facing residents in my riding in Dill township.

Since May 1987, a sanitation company has been dumping large volumes of untreated human waste into a gravel pit which, in essence, is in their back yard. In September, there was an agreement reached between the various minis-

tries involved in the issue to have the dumping occur at an alternative site on the Burwash property. To date, there has been no transfer of the site from the Ministry of Government Services to the Ministry of the Environment and the dumping is still continuing.

I want to ask the minister what the holdup is. Can he assure the 300 residents in that area that the dumping is going to stop soon and be transferred to the Burwash site?

Hon. Mr. Bradley: I should indicate that the previous member for Sudbury East had communicated his concerns to me on this matter as well and I know it is one of some import to the people who live in the immediate area.

I am attempting to expedite with the Minister of Government Services (Mr. Patten) any transfers of property that might be required in order to resolve this matter. I understood there was a court proceeding that the individual who was involved in the dumping is involved in, which has complicated it a bit. I thought there was a resolution of this problem at one time. There was a public meeting that the member attended and the Liberal candidate attended—

Miss Martel: I didn't go.

Hon. Mr. Bradley: Well, some people up there attended anyway. We tried to resolve it. I thought we had a resolution. Perhaps the member thought at one time it might have been a resolution of the problem. We are trying to iron it out and move as quickly as possible, because I share her concern with any potential impact on the residents in that area.

Mr. Speaker: The time for oral questions has expired. Petitions; committee reports; motions; introduction of bills.

Interjections.

Mr. Speaker: I could remind many of the members that the House is still in session and I do have a member who wishes to introduce a bill.

INTRODUCTION OF BILL

EAST/CENTRAL ONTARIO RECREATIONAL TRAILS COMMISSION ACT

Mr. Pollock moved first reading of Bill 67, An Act to establish the East/Central Ontario Recreational Trails Commission.

ANSWERS TO QUESTIONS IN ORDERS AND NOTICES

Hon. Mr. Conway: Mr. Speaker, before the orders of the day, I want to table answers to

questions 18 and 22 in Orders and Notices [see Hansard for Monday, December 14].

NOTICE OF DISSATISFACTION

Mr. Speaker: Before we go into committee of the whole House, I should remind the members that the member for Carleton (Mr. Sterling) gave notice of his dissatisfaction with the answer to a question given by the Minister of Energy (Mr. Wong) and this matter will be debated at 6 p.m. today.

ORDERS OF THE DAY

House in committee of the whole.

EMPLOYEE SHARE OWNERSHIP PLAN ACT

Consideration of Bill 20, An Act to provide an Incentive to Ontario Employees of Small and Medium Sized Corporations to Purchase Newly Issued Shares of their Employer Corporation.

Mr. Chairman: Do any members have any comments, questions or amendments that they would like to bring to this bill, and if so, to which sections, please? Right now I have received motions to amend sections 6, 27 and 28. Would other members have any other sections?

Mr. Harris: What bill are we on here?

Mr. Chairman: Bill 20.

Mr. Harris: I think I do. Did I not table an amendment yesterday?

Mr. Chairman: Yes, you did.

Mr. Harris: I am told by the table, by the way, that rather than move a new section 27 and renumber sections 27 and 28, it would be appropriate if I slipped my amendment in under section 26a. There are a whole bunch of nodding heads behind you there, Mr. Chairman, too, telling me that is the way to do it, so I will have a new section called section 26a.

Sections 1 to 5, inclusive, agreed to.

1510

On section 6:

Mr. Chairman: Ms. Bryden moves that section 6 of the bill be amended by adding thereto the following subsection:

“(2) A corporation is not entitled to have its employee share ownership plan registered under subsection 7(1) unless, upon the completion of the employee share purchase agreement,

“(a) the employees of the corporation hold at least 25 per cent of the voting shares of the corporation, and

“(b) the proportion of the number of employees of the corporation who are directors of the corporation to the total number of directors of the corporation is equal to or greater than the proportion of the number of employee shares of the corporation to the total number of voting shares of the corporation.”

Ms. Bryden: I would like to speak to it.

The thinking behind this amendment is that the cost in a company of establishing an employee share ownership plan, as it is called, is considerable under this act. In fact, the minister told us that the startup costs were anticipated at \$500,000 to \$600,000 in the first year. That is half a million dollars that will have to be raised by the Treasurer (Mr. R. F. Nixon) or come out of the budget by cutting some other program.

Therefore, what I am suggesting by this amendment is that an employee share ownership plan should not be registered unless at least 25 per cent of the voting shares in the corporation are held by employees. My reasoning is that for any plan that goes into a company with a smaller share of employee participation, it would be too costly to the government to set up the plan in such a firm and it would not necessarily be fulfilling the objective the minister has stated the bill is aiming at—promoting employee-employer cooperation—because it would be such a small percentage of the employees who were involved in the plan. Therefore, that is what clause 6(2)(a) asks.

Clause 6(2)(b), which we may wish to vote on separately, would provide that there be representatives of the employees on the board of directors in any eligible corporation that is approved for this plan, and that that proportion of directors should be in proportion to the number of employee shares in the corporation compared to the total number of voting shares. That is the meaning of the two sections of the amendment.

Hon. Mr. Grandmaitre: At this time I am not very fond of the amendment. I think it would destroy the purpose of the act. I think the act is well written as it is now. I am surprised, especially by clause 6(2)(a), “the employees of the corporation hold at least 25 per cent of the voting shares.” This is a bill to encourage employees to take part in their small business. Why say “at least 25 per cent”? The bill was not any good last evening and now the member for Beaches-Woodbine (Ms. Bryden) is asking for at least 25 per cent of the voting shares in the corporation. This is not acceptable.

Ms. Bryden: The minister did not comment on the second part, which is to add employees to

the board of directors. That is a new provision that was not provided for in the bill. It was mentioned in the debate by myself, and possibly by others, that we should go in at least for this amount of democratization of boards of directors. It is compulsory in Sweden that all boards of directors have employee representatives on them.

Hon. Mr. Grandmaitre: Mr. Chairman, I am sorry I did not address clause 6(2)(b), but I think (2)(b) is really related to (2)(a). It is a complement of (2)(a), and again, this is not acceptable to us.

Mr. Harris: I share the minister's concern with (2)(a) as far as its being, in my opinion, very restrictive on the intent of the legislation. I indicated yesterday that this legislation, in my opinion, is not going to do as much as the expectation out there will be or as much as we would like. I pointed out that very small companies will have difficulty with the costs involved.

I do not know how many corporations there are in Ontario, although somewhere in my stack of stuff I have that number, but the ministry itself is projecting, I think, 50 companies in all of the province in the first year will be willing to take advantage of it. I do not think 50 is a very large and significant number, based on the total number of companies in this province.

I cannot see any advantage in placing further restrictions on the program by maintaining that employees have to hold at least 25 per cent. I think that would be fairly restrictive starting out. Perhaps the estimate of \$1 million—that is, the \$500,000-\$1 million cost of the program—will be nothing other than administrative costs if there is no takeup to get it started. We have great concerns with that and we would be opposed to that.

On clause (b), we are not opposed to the principle of allowing employee representation on the board of directors of corporations. Indeed, I would be surprised if a company hit a level of 25 per cent or greater and did not want and encourage employee representation on the board. But to make it a mandatory condition, and on the basis of any proportion, I think is far too restrictive on a company and really can lead to a number of examples I could see that would not make very much sense.

For example, if you had a situation where employees held a tenth of a per cent of the stock of a company, I am not exactly sure where you get in there. I understand the amendment if there

is 25 per cent. I am not sure I would support it even then but it makes some sense there.

But really, if (2)(a) is not going to carry, and I do not think it should, I do not think (2)(b), as it is written, should carry either. Our party will not be supporting either one of the amendments.

Hon. Mr. Grandmaître: I still stand with my first comments, that we should take clauses 6(2)(a) and (2)(b) as a whole. I can understand the member for Nipissing (Mr. Harris) saying he does not agree with (a) but possibly with (b), but I think that both (a) and (b) are complements of each other and not acceptable.

Ms. Bryden: Since the member for Nipissing was not quite sure whether he would oppose (b) but definite that he would oppose (a), could we have those two sections voted on separately? In a way, they really are two separate concepts; the fact that the drafting people put them together was because they both came under subsection 6(2). I would request that we vote separately on clause 6(2)(a) and clause 6(2)(b).

1520

Mr. Chairman: Right now we have in front of the committee a motion on your part to change it the way you have said right now. I guess what you are proposing to do would have to be done afterwards, or whatever, because right now—

Ms. Bryden: As a separate amendment.

Mr. Chairman: —we have the motion as you see it. If you want to change that, do you want to withdraw your amendment and move another one, a different version of your amendment?

Ms. Bryden: Can this be done quickly?

Mr. Harris: I might be able to facilitate this by saying that however it is done, our vote will be the same.

Ms. Bryden: Let us have the vote then, as is.

Mr. Chairman: All those in favour of Ms. Bryden's amendment will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Motion negatived.

Section 6 agreed to.

Sections 7 to 26, inclusive, agreed to.

Mr. Harris: I was short one copy. I wonder if the New Democratic Party got a new copy of my amendment.

Mr. Chairman: It is being provided right now.

Mr. Harris: The language has been tidied up by the experts, once again, from what I handed out yesterday.

Hon. Mr. Grandmaître: If I may, can I get a copy of the amendment?

Mr. Harris: I was told by the minister's staff that he had one.

Hon. Mr. Grandmaître: I do not know if it is the right one. Oh, it is.

Mr. Chairman: Mr. Harris moves that the bill be amended by adding thereto the following section:

"Review

"26a(1) In the fifth year after commencement of the act, the incentive program established by the act shall be referred to a standing committee of the Legislative Assembly.

"(2) The standing committee shall review the incentive program established by the act to assess the effectiveness of the incentive program in achieving program objectives.

"(3) The standing committee shall report its findings to the Legislative Assembly and shall make a recommendation as to whether the act should be continued unchanged, be amended, or be repealed."

Mr. Harris: First of all, I want to thank the staff for tidying up the language. I think it reads better than what I had suggested yesterday and I thank them for that.

The intent of what we are proposing here is basically that this program be reviewed by a legislative committee at the end of five years. This, I believe, is something that is long overdue in a number of the statutes, in a number of the programs, in a number of the bills this Legislature passes. Very often, we spend a detailed amount of time on legislation. We go through it, dot every i, cross every t and examine the implications. We go through hearings. Yet we still have to rely on some estimate or expectation of how this program will be received by the public, in this case by employers and employees of companies across Ontario. Very often, we find the program does not meet the objective that is intended.

As well, we have had a move in recent years in this assembly, and of course in the House in Ottawa, towards a far more intense scrutiny of value-for-money auditing practices. I believe we should be looking at value for money in a number of the incentive programs we put forth as a government and as a Legislature.

It is something I will be pursuing in a number of other areas. I want to say I was delighted with the indication from the minister yesterday that he would support this amendment, that he would support the principle as it pertained to his specific program. If I recall—I have not had a chance to

review Hansard—I think he said the principle that is being espoused for this particular piece of legislation is one that he too shares and that he too would like to see perhaps applied to a number of other of the statutes and programs this Legislature approves from time to time.

I mention that in this context because I plan to bring in a private member's bill which will ensure that does happen.

Hon. Mr. Elston: Got all kinds of backing.

Mr. Harris: That is right. I have a lot more now because I have the support of the Minister of Revenue (Mr. Grandmaître) with that type of philosophy or philosophical thinking. I mention that as well, and I know all members will look forward with anticipation when I figure out how to draft it. It is now in the hands of a number of staff and drafters so that it can apply to more than just this—

Hon. Mr. Elston: That sounds like leadership delegation if I have ever heard it.

Mr. Harris: The member would appreciate—where is he from now? His riding changed.

Hon. Mr. Elston: Yes; Bruce.

Mr. Harris: The member for Bruce will appreciate that our staff funding was cut drastically after the last election of September 10. Some \$700,000 was whacked out of the amount of money opposition parties had and we do not have the resources we had before the election. Should the government become less arrogant with its 95-seat majority and restore our funding level to the level it was at before September 10, I will be able to come up with these amendments correctly drafted much quicker. I would not cause problems such as I caused yesterday and today in this chamber, and I would have my private member's bill on sunset provisions in a little sooner, to cover most of the statutes that are on the books here.

1530

Hon. Mr. Elston: I think the third party is under a sunset review.

Mr. Harris: As a matter of fact, we are, of sorts, but I know the Chairman is about ready to bring me back on topic. I am delighted that the minister and the member from the racetrack, the member for Beaches-Woodbine (Ms. Bryden), are also prepared to support this amendment and agree with the intent of it as well.

Hon. Mr. Elston: That is Beaches-Greenwood.

Mr. Harris: Beaches-Greenwood, right.

I think it will be very beneficial, particularly in this piece of legislation where I have mentioned on second reading a number of concerns that we have and that the small business sector had with the bill. We are prepared to support it and see how it works out. At least we will be secure in the knowledge that within the fifth year, if not before—and if the government wants to review it before, of course, that proviso is there—this bill will get a thorough review as to whether it is still appropriate or whether some changes ought to be made.

Hon. Mr. Grandmaître: I think the amendment is a reasonable one—I think every program, for that matter, should be reviewed after five years—not because I do not think the program is a good one; I think it is a very good program. Finally, the government is paying back the small and medium-sized businesses or providing them with the incentive to do more for this province. I also recognize and agree with the member for Nipissing (Mr. Harris) that 84 per cent of our jobs are created from small and medium-sized businesses, and we should give them all the programs necessary to improve their facilities. Also, they will be paying more taxes to the Ministry of Revenue, so why not encourage them to do more business in Ontario?

Maybe after five years, depending on the success of the program, more moneys, more incentives could be added to the program, because I believe in this program. I believe it is a good one now, but surely after five years, if necessary, we could improve it.

Ms. Bryden: After listening to the member for Nipissing, I may at the next redistribution consider renaming my riding, if the commission so approves, to Beaches-Racetrack. Woodbine, as the member probably knows, refers to a geographical street in my riding, not to another horse racing track far from my riding; so it is confusing.

Hon. Mr. Grandmaître: Then you could change the parking bylaw.

Hon. Mr. Elston: Why do all the New Democratic members have racetracks in their ridings?

Ms. Bryden: Yes, the member for Etobicoke-Lakeshore (Mrs. Grier) has the Woodbine Race Track. Anyway, I was flattered by the minister yesterday saying that obviously the member knows a great deal about racetracks; possibly about horse races also, as elections can be considered.

To be serious, regarding this amendment, I did hint yesterday that in the event I did not convince this House to vote against the bill on second reading along with the New Democrats, who did vote against it, I would consider the member for Nipissing's proposed amendment a useful one. The fact that he brings it forward indicates he has a sort of nagging feeling that maybe the legislation does fit my description of it, which is "half-baked," and that we do need to look at it again within five years to see how this new form of rewarding share purchase is working out, how it is helping small business and how it is helping employee-employer relations.

I think I and my party would support the proposed amendment. As the minister says, perhaps we should look at this kind of amendment to a great many acts which are bringing in what might be called a new idea; although as I mentioned before, it is not a new idea across the continent, people seeking methods of encouraging a purchase of shares. I would support the amendment on that basis.

Motion agreed to.

On section 27:

Mr. Chairman: Ms. Bryden moves that section 27 of the bill be amended by striking out "1987" in the second line and inserting in lieu thereof "1988."

Ms. Bryden: The point of this amendment is to eliminate the retroactivity that is at present in the bill, because the bill says it shall come into effect on January 1, 1987. I feel that is a dangerous precedent to set, to make a bill that is passed in December 1987 retroactive to January 1, 1987, particularly with regard to giving grants to people who purchased shares during the 12 months of 1987 and giving grants to companies that set up plans to purchase shares. I think it is completely improper to have that clause in the act.

Even if we put January 1, 1988, as I am suggesting, it may not be really operative until the first employer plan is filed and approved, but it could apply to all shares purchased in the whole 12 months. I think most of them will probably be purchased after the share plan is put into effect, but I do not want to endorse the use of retroactivity in this legislation.

Hon. Mr. Grandmaitre: Regarding the proposal to amend section 27 by striking out "1987" and inserting "1988," at the present time there are possibly some companies that could qualify for the program, but I think at this time we would prefer to stay with 1987 just in case we

would prevent some small or medium-sized corporation from qualifying instead of stalling them until 1988.

1540

Mr. Harris: I too am not a great fan of retroactivity if there is not some logical reason why it should be retroactive. I wonder if in the original drafting of this bill it was not January 1, 1987, because the original intention was that the bill would have been dealt with last spring.

Having said that, I am not sure what the resistance is to it. Is it that something will happen between when this bill gets third reading, probably next Wednesday or Thursday, and the end of the year; or that something is in the works right now that we should know about; or that your big problem is that you will have to change the title of the act to the Employee Share Ownership Plan Act, 1988? In the latter case I would indicate that we would facilitate that change in section 28 as well.

I am not sure the minister has given me a convincing enough reason as to why the amendment ought not to be supported. Unless I hear that, given the tremendous support I have had from the New Democratic Party over the last couple of days on some of the amendments I have moved, I am inclined to support one with them.

Ms. Bryden: I would also like the minister to indicate to us if there are actually any plans before the ministry seeking approval because, as the member for Nipissing says, none could have been approved until this act was passed, and no company could be sure that this bill would be passed.

Even if there are some who have perhaps been tipped off that the act may pass, particularly in view of the majority, it seems to me that it would only be companies that managed to get their act together in the last two weeks of the year that would be able to benefit.

I do not think all companies would be as aware, perhaps, on an equal basis that the act was in effect, say from December 15 on. Even if they were and had not anticipated that it would happen at that time, they would not have time in those two weeks to get their plan put together and approved and to notify their employees that they could start purchasing shares, even if they had any money left over after Christmas shopping.

Hon. Mr. Grandmaitre: I did find out if we do have anything in the works, if any companies could qualify in 1987, that is a possibility, but we think we can live with the amendment that section 27 of the bill be amended by striking out

"1987" in the second line and inserting, in lieu thereof, "1988." We can live with that.

Motion agreed to.

Section 27, as amended, agreed to.

On section 28:

Mr. Harris: I am not sure whether it is appropriate, but I wonder now whether section 28 might not better read, "The short title of this act is the Employee Share Ownership Plan Act, 1988," in so far as it will not apply for any period of 1987, and I would so move. I apologize that I do not have it written out, but I move that we strike out "7" and insert "8" in "1987."

Mr. Chairman: I would like to advise the member for Nipissing that he is out of order because in section 28, "1987" refers to the year in which the act was passed.

Mr. Harris: For matters of clarification, then, can I ask the Chairman whether, should this act not pass third reading until 1988, it will still be in order that it read "Employee Share Ownership Plan, 1987"? In cases where that happened, are all those laws that were passed in that situation then, in fact, not really legal?

Mr. Chairman: I have just been advised that legislative counsel will make the change automatically if it is passed in 1988.

Section 28 agreed to.

Bill, as amended, ordered to be reported.

On motion by Hon. Mr. Conway, the committee of the whole House reported one bill with certain amendments.

MINISTRY OF REVENUE AMENDMENT ACT

Hon. Mr. Grandmaitre moved second reading of Bill 21, An Act to amend the Ministry of Revenue Act.

Hon. Mr. Grandmaitre: This bill, An Act to amend the Ministry of Revenue Act, empowers the minister to enter into reciprocal exchange of information agreements with governments in other jurisdictions for the better administration of statutes entrusted to its direction.

Administrative and technical amendments are also being made to update the act on additional statute administration responsibilities now within the minister's purview and also on references to the manner in which the ministry is now conducting its business.

I would like to point out that this act has not been amended since 1972, so it is really an update of the practices that have been going on

since 1972 but now would be enacted with this new amendment.

Ms. Bryden: The Ministry of Revenue Amendment Act, 1987, is, as the minister said, the first amendment since 1972, which does seem a rather long time to be updating this act. However, I am glad to see that it is being updated. I think there are some important additions to it as well as a number of housekeeping changes which become necessary when an act is not amended for such a long period.

One of the important additions, I think, although it may have fairly marginal importance, is that the minister is authorized to enter into exchange of information agreements with non-Canadian jurisdictions. It already has the power to do so with regard to Canadian jurisdictions, but the kind of exchange of information here contemplates agreements relating to the export of gasoline, diesel fuel and tobacco products to American jurisdictions, which also tax these commodities. As these commodities move back and forth across the border frequently, it is valuable to have this extension of the right to enter into exchange-of-information agreements with the tax authorities in the United States. There may be similar situations with regard to other jurisdictions in specialized commodities, so I welcome that addition to the act.

1550

I also welcome giving the cabinet power to remit recoverable grants when collection would impose a hardship. This power is needed because the ministry's huge program of seniors' tax grants, tax credits, guaranteed annual income system payments and small business development grants often results in overpayments or payments to ineligible people, which are not discovered until long after they occurred. In many cases, they are the result of errors. It would be a hardship to the recipient to repay something he has probably long since spent, and when such a hardship appears the ministry will now be able to remit those grants.

I know that power is needed from my experience with the people who have received the seniors' tax grants or tax credits, but when it was later discovered that a mistake had been made and the grant was not correctly awarded, that they were not eligible, it was really too late to ask them in most cases to give back that money. I hope the ministry will, of course, be diligent in seeing that the mistakes that caused those overpayments are not repeated.

Cabinet, under the act, is also given the power to remit interest paid as well as tax and penalty

when it is considered in the public interest to do so. Knowing the way interest piles up, usually at about 11 per cent on tax arrears or taxes which the ministry is disputing, I certainly think if it is found that the ministry was in the wrong and the taxpayer in the right, it should be able to remit interest paid as well as tax and penalty.

The act broadens the minister's powers to delegate his power or obligations under ministry statutes to the deputy minister or other official. While I think the broadening of powers is necessary, with the complexity of new statutes and the increased responsibilities of the Ministry of Revenue, I think the exercise of the delegated powers should be subject to the same scrutiny to which the exercise of the regulatory power is subject. In this province, the regulatory power is subject to review by the standing committee on regulations and private bills, and it has a staff person who reviews all the regulations and reports to the standing committee on any regulations which appear to go beyond the enabling legislation, or in which the regulations appear to be in contradiction to the policies of the ministry.

I am not proposing an amendment on this until we know more about the extent to which this extension of delegation is used, but I would like to put it on record that after a year has passed, we should look at how many new delegations have been made and what kind of acts they have undertaken under the delegated powers so they could possibly be referred to the committee on regulations.

The ministry was subject to some fairly substantial comments by the auditor this year, and I would hope during this debate that perhaps he would indicate to us what is being done with regard to two or three fairly substantial conclusions of the Provincial Auditor regarding the administration of the ministry. One program that they mentioned was the guaranteed income payments and property tax grants to senior citizens. While I am 100 per cent in favour of those property tax grants and guaranteed income payments to seniors and as well to those who receive payments from the guaranteed annual income system program who are not seniors, I think that the ministry should be looking at ways of improving the efficiency of the administration of those grants.

About two or three years ago we had literally dozens of calls to the constituency office about people not getting their property tax grants or their guaranteed income payments for seniors. In many cases it was really that people did not know

where to phone, their names were not on the list or the addresses were wrong. They tried phoning to find out when their grant was coming and they would go through a very long runaround of phone numbers.

I think in the past couple of years the ministry has greatly improved the administration of those plans, but there is still much that could be done. The minister should review the administrative procedures for these plans every year and see if streamlining is not possible. The Provincial Auditor did suggest that economies could be obtained by further staff reductions and by depositing Gains-A payments and tax grants directly into senior citizens' bank accounts rather than mailing them.

I know that the preceding Progressive Conservative government would have probably rejected that proposal outright because it loved sending letters with cheques in them to senior citizens. That is one reason those grants went out twice a year in two bites and also why they usually went through the mails. The problem with the mails is that people change their addresses between the two payments and the grants sometimes took a long route getting to the intended recipients.

I do not know whether some of the grants could, with the consent of the seniors, go into seniors' bank accounts upon authorization by the seniors and whether this would save a great deal. I think the ministry should look into this and perhaps not overburden the mails with as many letters saying, "Your grant is coming," and then, "Here it is," and, "Another one is coming in six months." We have to look at the economics, under our present postage rates, of using this system of delivery.

On the other hand, I do not want them to be delayed until, say, the end of the tax year and the seniors get it through their income tax rebates. I think most of them do need the money very badly. The main thing is they want to get it quickly, without a lot of need for phoning up and seeing what has happened to it.

Another criticism that the Provincial Auditor raised was the possibility of unauthorized access to confidential computer files. Since the ministry has so many payees on its rolls because of the seniors' tax grants and the many other programs—the Gains program—it does have a lot of confidential computer records on those payees. I would like to know what the ministry is doing to make sure that such files are protected by a security system, which was recommended by the Provincial Auditor.

1600

Of course, the auditor said that the ministry must guarantee total protection in security matters without prohibitive cost or severely restricting the use of data for business purposes and its own purposes. The auditor did not find instances where the confidentiality had been violated, but it is indicated that it is an area where there should be considerable activity by the ministry in reviewing its security systems every year and making sure that they are state of the art, that they are updated as much as possible.

Another area the auditor mentioned was concerning the corporations tax branch. While the auditor's overall conclusion is that it is well managed, it did say that certain "important areas in the branch's operations have been neglected because of insufficient resources."

That indicates a real weakness in our revenue collection system, because if there are insufficient resources, the revenue ministry may not be collecting the full amount that it could from corporations. I would like to know what the minister is doing about the recommendation from the auditor that there be a substantial investment in technology and auditors in order to obtain "greater returns in tax revenues for the province."

I would like to draw to the attention of the minister a recent study. My copy has disappeared, but I can tell the minister briefly it is from the Institute for Research on Public Policy that operates out of Halifax, which has analysed the corporation tax returns at the federal level and has been studying the degree to which many corporations escape paying any tax at all, and a great many also have a very low effective corporation tax rate, considerably below what is considered the average rate of about 36 per cent.

This sort of study is something that we are completely lacking in Ontario. We do not have an annual report from the minister. It is not required in the statute. We do not have a statistical report from the minister on tax collections that is published and available to the public. I am sure he keeps statistics in the ministry. We do not have a statistical report on all the various taxes that he collects and the cost of collection thereof. We do not have material that would be useful to students and researchers who are writing essays, books or PhD theses in this field.

I think that is an area the ministry must look at, because it is very difficult for anybody, including the opposition, to criticize the administration of the Corporations Tax Act in Ontario without

those kinds of statistics. That is one of the things I would hope he would comment on as to whether he intends to become a pioneer as Minister of Revenue and institute such an annual report, both an annual statistical report and an annual report of the ministry activities in the collection of each tax and the costs thereof.

I have found the study from Ottawa that I was mentioning. It is from the Institute for Research on Public Policy. Its address is Halifax, Nova Scotia, but it is a think-tank on public policy. In the September-October, 1987 issue, it has a few things to say about corporation tax that I would like to draw to the minister's attention.

It mentions that the report of the Royal Commission on Corporate Concentration in 1976 said that there was no fundamental bias either in favour of or against corporate concentration in the federal corporation income tax. However, this new study I am bringing to the minister's attention casts doubt on this conclusion. I suspect the conclusion applies to Ontario almost equally as it does to Ottawa, since our corporation tax, in many senses, mirrors the federal corporation tax. Ontario tends to adopt changes in the federal corporation tax almost willy-nilly, although it does have some areas where it diverges from the federal tax. So, this comment on what is happening under the federal corporation tax is probably indicative of what is happening under the Ontario corporation tax as well.

It studied what it calls ETRs, effective tax rates, in relation to the size of corporations, and it came to the conclusion that almost half of all corporations in each size range had federal ETRs, that is effective tax rates, of less than 10 per cent. For the top size range, over \$100 million in assets, at least half of all corporations paid no federal corporate income tax. In all size ranges, at least 25 per cent of all corporations paid no federal tax in 1983.

The conclusion of this study was that this kind of treatment which the corporations were able to achieve, this kind of low tax rate, gave them an opportunity to make more profits, and made the corporate tax system biased towards industrial concentration. To the extent it is true for the overall corporate sector, the tax system can be said to be biased towards conglomerate concentration.

The minister should study that, and see if he can bring up similar figures for Ontario, so that we can know exactly whether our tax system is biased towards corporate concentration. This is something our party is generally opposing,

because it does mean less competition and higher prices for consumers.

I also wanted to speak about the ministry's relations with the taxpayers. A couple of years ago, when the provincial Treasurer (Mr. R. F. Nixon) was also Minister of Revenue, he made a speech in the House about how he was going to improve tax relations with the taxpayers. He said he was going to have more opportunity for taxpayers to find out about taxes, to get rulings quickly, to understand their rights under the appeal procedure and to inform taxpayers about changes in administrative procedures.

In particular, the ministry has contact with a great many taxpayers under the Retail Sales Tax Act since every retail business is covered by it and a good many service industries as well. Under that act, retailers are paid a percentage of collections to cover their costs of acting as tax collectors. I may say that did not always happen. The previous government did bring it in finally, but at one time the taxpayer got no compensation for collecting the sales tax. I certainly support the idea of compensating the retailer for it.

1610

After the minister's great statement saying he was going to be more humane and more co-operative in educating taxpayers about their obligations and their rights, I had occasion to deal with a constituent's case. He had been assessed a penalty under the Retail Sales Tax Act for alleged underpayment on sales. I must say my experience with that very much disillusioned me about the ministry's friendliness to taxpayers, particularly to small taxpayers who are not as familiar with the collection procedures and many of whom do not read English.

None of the ministry's bulletins, as far as I can see, are published in any of the immigrants' languages, except possibly French. A great many of our retailers are Greeks, Italians, Portuguese or people from Asiatic countries and none of the bulletins appear to be published in those languages. Very few of the ministry staff are versed in those languages. In my case, it was a Greek immigrant who had been in the shoe business in his native country and knew it well, but when he got into trying to understand the regulations here as to what was taxable and what was not taxable, he got very little help.

I may say that his case started back under the Progressive Conservative government which put the assessment on him about 1984 that he owed close to \$10,000 in unpaid taxes.

One of the things I learned from his case was that it took a long time for him to find out exactly

why they were asking for this \$10,000 in extra assessment. When he tried to go to his MPP or a lawyer or an accountant, this of course all took time too and he finally appealed. The whole process took over a year and during that whole year the interest cash register was ticking away every month. At the end of the process, he ended up with a debt of about twice what the original assessment was. He did not win his case.

He still claims he was underserved by the ministry. They did not visit him and tell him what they thought he was doing wrong; they just simply sent an auditor around who looked at his books and then put in a reassessment. They sent him a letter, but they did not really explain to him what the situation was. I asked for a copy of how they calculated what sales he had not paid tax on and I must say I could not understand it, although I am not an accountant. I am sure the shoe retailer could not either and nobody really tried to explain it to him.

In addition, they gave me a copy the day I had an appointment with him to see the people who were ready to try to work out a settlement. I had asked for it earlier but it did not come.

All this sort of poor service, both to the taxpayer and to anybody who is trying to help him, does not enhance the ministry's reputation. I hope a great deal of that has been improved in the meantime, because really, with regard to the small taxpayer, the ministry should not consider that they are all criminals who are trying to cheat. For a great many of them, it is lack of information, lack of knowledge of the system and lack of contact by ministry officials. In most cases, very little field-work is done to call on the person who is under challenge and explain what is going on.

The appeal system is the worst part of the whole thing, I think, and yet the ministry makes a great claim that it has a wonderful appeal procedure. In fact, it even gets out a little brochure, of which I have a copy here, about the appeal, and it says:

"The right to appeal government decisions on tax, grant and refund matters is essential to the integrity of Ontario's tax system. Individuals or companies who are dissatisfied with a tax assessment or the minister's decision to disallow a grant or refund may register their objections with the ministry's tax appeals branch.... The enclosed publications may be of help to your constituents."

The one thing you may not be aware of when you go through this is that the tax appeals branch is just a few different employees of the ministry

who are examining how the ministry's employees have handled this case. In other words, it is not an independent appeal; it is just different people in the ministry.

Another thing I found out with my constituent's case is that if he does put in an objection and asks for an appeal hearing, it takes several months, even up to a year, before the process is completed. The ministry gets out a little flowchart, of which I have a copy here. It shows he has 180 days to appeal and then five days for the tax appeals branch to receive his notice in the mail, and so on. Anyway, if you add up all the 30-day periods allowed for here, there are 365 days possible under this appeal flowchart.

Another thing I discovered was that after the objection was received, he got a letter saying, "It has been received and the tax review officer"—who is another employee of the ministry—"will review your case and get the facts and let you know what he finds, but it is best for you to pay up the total new assessment you are complaining about before you go through this process."

The man was asked to pay \$10,000 he did not think he owed and was told he had to put up the \$10,000 before he could have it reviewed by the appeals branch. I was told later that could be waived if it was going to be a great hardship. For most retailers, it is a great hardship. This particular man was \$5,000 into the bank for a loan to finance his Christmas stock, which he hoped he would be able to pay off after Christmas, and the ministry was asking for another \$10,000. He really could not go back to the bank. The ministry will offer terms, at 11 per cent interest per year over a period. He felt he might as well go to the bank, because he would get about the same terms from the bank.

It did not seem like a very humane process and I do not think it was the proper procedure for a small businessman, particularly a retailer. Ultimately, after he made Herculean efforts on the suggestion of the ministry officials to try to pay it off over a quicker period, he did go to the bank and got an agreement in the hope that if he paid off half of it, they might give him some sort of remission. He got nothing, except that he paid up half more quickly. He went out of business shortly afterwards. Whether it was entirely the extra tax assessment—it could have been partly business conditions in his district, but certainly the tax assessment and the requirement of putting up so much money in such a short period and getting really no credit for attempts to deal with this problem in some sort of rational and fair way—at least what he thought was a fair

way—certainly contributed to his going out of business.

1620

In the process, he had improved his knowledge of the tax; he had improved his methods of remitting on a regular basis. He had not entirely understood what were the requirements, so he had become a better taxpayer, but he ends up not being a taxpayer at all because he has no business. That is the sort of case that does illustrate to the individual MPP that the system is just not working.

The minister will say he can appeal to the Supreme Court of Ontario if he is not satisfied with the tax appeals branch's decision. But as we all know, for a \$10,000 debt, you go to the Supreme Court of Ontario and it costs you at least \$10,000 in legal fees. You are in a gamble situation; you may or may not win your case. You would certainly have to have lawyers and accountants to help you make your case, so that is really not an answer. It might be an answer for a big corporation that is appealing a \$1-million tax assessment, but it is not for the small retailer.

Whether you could have some court similar to the assessment appeal court, which operates more informally and which does not usually require lawyers to go to, is something the ministry should consider. Certainly the present business of the Revenue officials examining their fellow Revenue officials—behind closed doors, too—is not exactly my idea of an appeal procedure.

Those are some of the things that I hope, under the new act, we will get some changes on. I suppose I and my colleagues will support the bill because of the things I mentioned at the beginning, which are badly needed improvements, but I hope that we can expect from this new minister more improvements in the appeal procedure, improvements in reporting and statistics and in carrying out the recommendations of the Provincial Auditor's report.

The Acting Speaker (Miss Roberts): Would any other honourable member wish to participate in the debate?

Mr. McCague: Madam Speaker, I am standing in for the member for Nipissing (Mr. Harris) who just got back.

The Acting Speaker: I assume that I have the unanimous consent of the House to let the member for Nipissing continue?

Agreed to.

Mr. Harris: I may want to comment on the speech that was just given by the member for

Simcoe West (Mr. McCague). There used to be a "Dufferin." Did he not use to have a "Dufferin" in there?

Mr. McCague: That's right.

Mr. Harris: I have a couple of notes on this somewhere. I guess all I had was a couple of questions of the minister. One had to do with the security of the information that was exchanged, and I apologize: I did not hear all the remarks the minister made. Perhaps he could respond to my remarks with a couple of things that would help to satisfy me.

I want to say, first of all, that we are going to support the bill. We do not have particular difficulty with any of the housekeeping changes or with some of the changes in responsibility, nor do we have any difficulty with the principle of the exchange of information that will be negotiated with the other jurisdictions, but I would not mind if the minister could comment. I will try to keep the question such that the minister can respond in the two minutes allocated to him.

The security provisions with information that is being exchanged by Revenue officials always concern me. Anybody who is at home when the mail comes will know the number of lists that are being sold by organizations and associations. The recent revelation that there is nothing illegal now about income tax preparation companies selling lists concerns me. I do not have a concern about the Ontario Ministry of Revenue, but I wonder if the minister could comment and assure this House that security provisions with the other jurisdictions the information is going to be shared with are discussed and that he does receive assurances from these jurisdictions, particularly the non-Canadian ones, that information is secure and is being shared only for the reasons the minister is suggesting in the bill.

The other thing perhaps just clarifies some of the delegations of authority from the minister to the deputy minister as to why they are deemed to be administratively important. I am always concerned when those delegations of authority are proposed. I guess I would like to be assured that the minister has received some briefing and concurs with the delegation that is being asked for by the deputy minister and ministry officials. It is not that I do not have the utmost confidence in the current deputy minister and those officials who are in the ministry, but this act, after all, will apply for ever and a day because there is no sunset provision in this one. I think it is a fair question to ask and I want to be assured that the minister has indeed done his homework in this area.

The other area that always concerns me a little bit is the cheque-writing or signature-writing machines. I presume that is also being asked for in this bill which will authorize facsimile signatures. Perhaps the minister can clarify: on what and whose signatures? I apologize if I should have read the bill more closely and discovered it, but is it just the minister's signature that is to be authorized that way or is it other signatures as well?

I certainly understand that is appropriate. For example, I do not expect the Treasurer to sign every paycheque that goes out to 60,000 civil servants. I would like him to sign mine so that he can see it is difficult to live on it. Perhaps in signing it, he would realize that. How can private members possibly exist on the amount of money they are getting?

I would be interested in knowing the extent to which the signatures are being authorized. I guess perhaps, from my own lack of understanding, the very short time when I had the wonderful opportunity to be a minister in the government of Ontario was hardly long enough for me to find out the answers to all these very important questions. But if I had been asked, I would not have known, in my short tenure at the Ministry of Natural Resources and my even shorter time at the Ministry of Energy, all the places where my signature was being used.

1630

I think it is something that happens very often, when one is in a job such as the minister has been in now for a short period of time and has the responsibilities of reading through the massive briefing books that his staff will want him to read before he gets into the House, ready for question period and everything else, that too often these questions are not asked by ministers. I would like to be assured that the minister knows where his signature is going to be used and by whom.

Other than that, we are supportive of the legislation and we have no amendments to propose.

Hon. Mr. Grandmaitre: I would like to respond to the member for Beaches-Woodbine (Ms. Bryden). We were kidding about Woodbine, or her racetrack. I should not call it her racetrack, but our racetrack. The honourable member has brought up a number of very good points which really are not reflected in Bill 21 or in the amendments to Bill 21, but I can assure her that I have taken note of most of her points.

We are continually trying to improve the efficiency of our ministry. I know we are responsible for a number of programs, such as

the guaranteed annual income system and the property tax program, sales tax and a number of other programs. I can assure the member that for a number of years, especially since 1983 when the ministry moved to Oshawa, a lot of these programs have been better supervised because of better facilities, better equipment and more computers.

We do keep an eye on these programs, and as the member rightly pointed out, we have improved, or the system has improved, in the last couple of years or three or four years. I can guarantee her that the system is still improving. We are still trying to define the perfect way to send out a cheque by mail, through the bank or whatever the case may be. By the way, she was referring to seniors' cheques and the mailing system that is being used at the present time. This is another note I have taken and I will certainly look into it. If there is a possibility of speeding up the process, why not? We will do it.

The member talked about our tax relationship or the information provided by this ministry. I have only been around for a short number of months and I hear some very good stories about this ministry. I think our people are trying to make a very complex matter simple to a lot of people. By "a lot of people," I am talking about people like the member's friend, the Greek taxpayer. I recognize that our province is very diversified.

We have a number of very important ethnic groups in this province, and we have to recognize that their needs are different from ours. We are responding. I think we are printing material now, not only in French and English but even in Italian and Korean. We are trying to reach as many people as possible, even Italian, if I am not mistaken. We are trying to reach as many people as possible, because we realize it is not very interesting when you are asked to pay taxes. We are trying to do our job as politely as possible. We do have a job to do, but we also like to respect taxpayers.

Also, I was very satisfied with the auditor's report, because actually my ministry was told that great efforts had been made in the past and was continually improving; and certainly we will continue to do so. I was very pleased with the auditor's report.

The member for Nipissing (Mr. Harris) and also my honourable friend the member for Beaches-Woodbine asked me about our security system. Again, since the ministry moved to Oshawa in 1983, I can assure the members that security has improved greatly. It has been tested

and it is operating very well. We do not have any fear that anybody can get into our system as easily as some people might think.

As for the delegation of signature or facsimile, I could assure the member for Nipissing, if he were here, that it is only the minister and the deputy minister's signature.

If there are no other questions, let us go on with the business.

Motion agreed to.

Bill ordered for third reading.

TRAVEL INDUSTRY AMENDMENT ACT

Hon. Mr. Wrye moved second reading of Bill 25, An Act to amend the Travel Industry Act.

Hon. Mr. Wrye: Speaking very briefly to this piece of legislation which is now moving forward after introduction on a number of occasions, I wanted to just touch on two matters.

I touched on the first in making a brief statement on first reading; that is, to note for members of the House that one of the major impacts, perhaps the major impact of this amendment to the Travel Industry Act is to allow the ministry to deal more effectively with travel firms which are in serious financial difficulty.

Specifically, the act will allow the director of the consumer protection division to apply to the court for an order to appoint a receiver and manager for failing companies. If unable to salvage the travel firm, the receiver-manager will be empowered to dispose of the frozen assets. This is currently not allowed.

1640

There are a number of housekeeping changes, but I think the House would most want to know about one, because in my short time as minister I have received a number of letters; that is, we are moving forward in terms of the definitions and registration requirements of "travel agents" and "travel wholesalers," which are being changed to clarify that wholesalers and retailers are respectively registered as such, and to make it clear that consumers must deal only with registered travel agents. Every person who sells travel services to the public must be registered as a travel agent, whether or not that is his business.

The requirements for registration of travel salesmen were never proclaimed in force and they are being dropped in this piece of legislation. In a number of cases which have been brought to my attention, wholesalers who are not also retailers were involved in a number of failures and because they were wholesalers only, the consumer was not eligible for money from the

compensation fund. The legislation makes it clear that every wholesaler who is to deal with the public even on one occasion must be registered as a travel agent, and every travel agent who deals wholesale must be registered as a travel wholesaler.

There are a number of other changes, most of them housekeeping. I look forward to hearing comments from my friend the member for Welland-Thorold (Mr. Swart) and members of the third party as we finally move forward with this piece of legislation.

Mr. Velshi: When the minister referred to the two other parties, I hope he did not leave us out inadvertently. I also have something to say.

I think it is a known fact that most travel agents and travel agencies are very small businesses owned either by single persons or by a husband and wife team. There has always been one problem that has never been looked into; that is, when a retail travel agency makes a sale to a client or a consumer, it is almost always the case where the product is purchased from a travel wholesaler and then sold to the consumer. In this case, the retail travel agency also becomes a consumer; it has earned its commission by getting a commission from the travel wholesaler and not from the consumer. Yet when the travel agency experiences difficulty with the travel wholesaler, if the wholesaler gets into difficulty and stops doing business, the consumer has a right to claim from the compensation fund, but the travel agency loses the commission it has earned through the sale.

This is unfair to the very small travel agents. The largest losses come from travel wholesalers and not from travel agencies. Yet the fund is one; all payments are made from the one fund. When the travel wholesaler goes bankrupt, the travel retailer has to subscribe and pay into those funds and yet lose the commission that it has earned in the process of trying to make that sale.

I would like to see—and I hope the minister will agree—a change in this act so that any claim for commissions earned by the travel agency should rank equal to the claim made by the consumer, as all those funds are being paid out of the compensation fund and it is paid by the industry itself.

Mr. Harris: I am not sure whether this is the appropriate time to comment. What I really want to do is bring to the attention of the House, and express, a concern. I really do not know if it is appropriate or not. This whole conflict-of-interest matter is getting more difficult all the time. I appreciate that farmers speak on farm

legislation and lawyers speak on legislation that has legal implications, but I am not sure whether it is appropriate for the member for Don Mills (Mr. Velshi), who is a travel agent, to be asking the minister and this assembly for changes in a piece of legislation.

I bring it to the Legislature's attention. I suggest it is something that those who know far more than I do about these matters ought to consider and the member for Don Mills ought to consider. I think it is easy at times to inadvertently bring forward an opinion.

At times I think it is important that we do consult with people from a business background, and I have been one of those who think it is important that we have far fewer lawyers and far more business people in this chamber than has very often been the case. I mention it reluctantly and not in any sense to say the comments are appropriate or inappropriate, but it is something that I think should be brought to the attention of the chamber.

The Acting Speaker (Miss Roberts): The member's time has elapsed. Would any other member like to comment on the remarks of the minister? Would the minister like two minutes at this time?

Hon. Mr. Wrye: Only that I take note of my colleague's comments, and it is certainly a matter that one might want to take a look at, for I hear what he says. We will take a look at his comments that are not spoken to in the legislation.

Mr. Swart: I am going to be very brief too. In fact, I think that on this bill and the next three that come, the time spent on comments may be greater than the time spent on speeches for the first time in the history of this House.

These two bills—or four bills, actually, including the travel bill—have been around for quite a period of time; they have been introduced at least three times that I know of, and some of them have been introduced perhaps four or five times and have never been dealt with.

All of them, and that includes Bill 25, are bills which are necessary to protect consumers more adequately and to operate the compensation fund reasonably and responsibly, and therefore we supported them and agreed that they should be dealt with expeditiously at that time.

The travel industry in particular seems to have been an industry that has been prone to collapse. There came across my desk just in November the press release from the ministry that three other travel groups had collapsed and that there would probably have to be reimbursement paid in the

amount of some \$400,000 to people who had booked flights. It is my understanding that since the fund started in 1975, we have paid out now almost \$13 million.

I mention those not in any way to be critical of this bill; in fact, the reverse, a greater need for this bill, which does certain things which will expedite the paying of the compensation. However, I just want to point out—and this is the comment I am really going to make—that I think there has to be some further action taken not just to protect consumers but also to ensure that there are fewer of these travel agencies that do collapse.

I am not sure what the answer is, but I believe our record in Canada of the number of travel agencies that collapse is as bad as or worse than that in any other country. They may have to be looking at some method of establishing some funds or some guarantees that these travel agencies have to give before they can be registered. I would think this would come about naturally by the premiums that have to be paid in by all the other travel agencies. It is unjust to many of them, as has been pointed out already, that they are having to pay into this fund to compensate for some travel agency, whether wholesale or retail, that had not been operated properly, that perhaps should not even have been in business, that did not have enough financial background. I hope the minister perhaps will comment on that in his final remarks.

1650

The Deputy Speaker: Would the minister wish to respond?

Hon. Mr. Wrye: I will respond in my closing remarks.

Mr. Harris: The minister has mentioned it has taken some time for this particular bill to get to the House, and as has been mentioned, it does not answer all of the problems in the travel industry. However, we will support the legislation.

I have only one question. Maybe the minister can answer it for me when he sums up. The question really arises out of my incomplete understanding of the travel industry.

I was looking at the definition of a travel agent: "a person who sells, to consumers, travel services provided by another person." There are a lot of people who work with travel agents whom I would not call travel agents and I guess I would want to be assured they are not in any way construed to be travel agents. I am thinking of people in religious organizations, for example, who will organize and encourage people to sign up for tours which will be booked through a

travel agent but in fact the agent himself may not be the prime person selling that trip.

Agents enter into arrangements with, for example, people active in the ski industry. They may be in the sporting goods business and they will sign up 10 or 15 or 20 people to go on a ski holiday together and the package will be put together by an agent. Normally, the compensation offered to the person who really is doing the selling is a free trip, accompanying the group. Sometimes there is a commission, though, that is payable, and I believe that type of informal relationship exists within the travel industry in a number of areas.

I know a number of golf professionals or golf clubs have relationships with travel agencies. Maybe they will sign up their members on a trip and in fact they are the front-line people. Very often they collect the cheques and very often they will have the cheques sent to the travel agent.

I believe a number of churches or members of churches do the same, where they organize trips to shrines or to various holy places.

I would just like to have the minister clarify for me whether indeed they would be travel agents per se, whether this bill would disallow that type of informal activity, and if they are deemed to be travel agents, whether he foresees any problems in that area or not.

Hon. Mr. Wrye: Let me wrap up. Let me start with my colleague the member for Welland-Thorold—I guess that is still his riding—who expressed a general concern about the numbers of failures and indeed about the money that has been paid out of the compensation fund.

Certainly, because, as was pointed out earlier, I think the nature of these operations is in many cases as very small businesses, I am not certain we are going to be able to always improve on these, but we continue to look at ways in which we can improve upon the situation while ensuring, in the current situation, that all the consumers will be compensated.

That is why we have a tightening up, and I will get to it in a minute, of the definition of a travel agent. That is why we have made it very clear that there is a splitting of the travel agent and the travel wholesaler, so that situations such as a number of members in all parties have written to me about will not arise in the future.

In terms of the compensation fund, that is why we will be allowing the director, hopefully, to get involved in some situations and move matters into getting a court to appoint a receiver in the situation where there may be assets, to salvage as much as possible.

My friend the member for Nipissing (Mr. Harris) raises an issue that really, in a sense, we are trying to deal with. I tell him that with respect. I do not think he had a copy of the old act.

One of the difficulties, and my friend the member for Welland-Thorold will know this, is that under the definitions, the previous legislation had as the definition of a travel agent, "a person who carries on the business of selling to the public travel services provided by another person." We really had some difficulty legally with "carries on the business of selling."

The new definition, as the member knows, because he has the bill in front of him, is "a person who sells, to consumers, travel services provided by another person." It is quite explicit.

In the example that my friend from Nipissing offers of the church, the golf group or whatever, the organizer is getting some kind of a profit. He then becomes a travel agent and he must be registered. That is very clear and very explicit in the bill and, again, is in the legislation not to cause trouble in these informal arrangements but to ensure that the consumer will be protected, because a payment of money to a travel agent is required or recovery from the compensation fund is not allowed. That would be the problem. If there was an exchange of money informally between members of a golf club, and not to a travel agent quite directly, and then there was a problem, the compensation fund could not come into service.

I think consumers here are really well advised, and we are well advised to suggest to them in these remarks, that they deal and be very clear that they are dealing with registered travel agents, and that even in the kind of arrangement that my friend from Nipissing has raised, the individual who is organizing this trip must, himself or herself, be a registered travel agent or there could be problems down the road. This bill seeks to clarify that.

Motion agreed to.

Bill ordered for committee of the whole House.

1700

House in committee of the whole.

TRAVEL INDUSTRY AMENDMENT ACT

Consideration of Bill 25, An Act to amend the Travel Industry Act.

On section 1:

Mr. Harris: In section 1 we are dealing with the definition of a travel agent. As I would

understand "travel agent," it would be the person who is officially responsible for booking trips with travel wholesalers or directly with airlines, hotels or whatever services are being provided.

The question I asked and was hoping to get some clarification of on second reading dealt with a type of informal arrangement. I do not think it is the intent of this Legislature or of the minister to require that every executive of every golf club, every board member of every ski club, hobby or car club, has to be registered as a travel agent to want to seek to involve his or her club or other people who may be interested in the club in a joint trip that he or she may want to escort.

If the minister has consulted with the officials, he could perhaps clarify this, so that when this becomes law, as it will in the next few days there will be no doubt as to what is intended. I am aware in my riding alone of a number of these arrangements that go on; there have to be literally thousands of them. I will talk a little longer so the minister can get more clarification. There have to be thousands and thousands and thousands of these arrangements going on as we speak, perhaps teachers involving fellow teachers in their school or Ontario Secondary School Teachers' Federation members, or various labour unions on behalf of a group of employees in a shop.

I do not think it is the intention, as the minister said, that these people will have to be travel agents to organize in that way. I could understand if the minister said to me that any cheques they collect must be payable to a registered travel agent. I really would hope the minister might have a little better clarification, so I do not have to go back and report to all the people in my riding and, I am sure, literally thousands of organizations that they must cease and desist or they will be contravening the Travel Industry Act.

I can wrap up now? The minister has a little better clarification, I think. I wonder if he could comment on that further.

Hon. Mr. Wrye: I am going to try to be helpful and use a specific example. I was just checking with my officials to make sure the information was right.

If we had a situation where a number of members of the Legislature were going to go away and I was going to go through the Mike Harris Travel Agency and collect all the cheques made out to the Mike Harris Travel Agency, there would be no problem, because he is the agency. If, on the other hand, I was to collect the cheques, all made out to Bill Wrye, and then I

was going to write one giant cheque, there would be a problem, because I would then, in effect, be the middleman. I ought to be the travel agent and I would have to register as a travel agent.

The problem is that if there is a failure at that point, there is no receipt to show the money was paid for those purposes, and the compensation fund that we all want to be viable does not come into play. So I say to my friend, there is nothing about these informal arrangements, about these various hockey groups, golf groups and the like getting together, but the money must be paid directly by the consumer to the travel agent. That is being done for the benefit of the consumer.

Mr. Harris: That is very helpful. In other words, there could be a category called a travel escort who would not have to comply with this act. He could circulate information to friends or others saying, "I will be escorting this trip. Here it is. I encourage you to buy it and make your cheque payable to..." somebody else, a travel agent who is registered.

The example the minister gave me is very informal, but there are, to go from there, others I suppose a little more formal but still, in my opinion, not acting as a travel agent. I could interpret them that way—and I would like confirmation from the minister—provided the cheques were payable to a travel agent or the cheques were payable directly to wherever you are staying.

In other words, if I organized a Progressive Conservative caucus trip to a particular hotel and I asked all the people—

Interjection.

Mr. Harris: It would not take a big hotel any more. I understand that. We cannot afford many hotels either. I cannot even think of one we can afford.

The minister understands what I am saying. If I had the cheques payable to that hotel, that would be permissible. He would go one step further, though, in what happens with these people who do escort trips because of a certain expertise in an area, and usually it is related. If it is a golf club, you are going on a golf holiday. If it is a ski club, you are going on a skiing holiday.

Hon. Mrs. Smith: If you are a wine taster....

Mr. Harris: That is right. If you are a wine taster, you are off on a wine tour.

Very often, it is somebody's expertise in those areas that attracts people to go with that escort. If I am right, as long as the cheque is made payable to an agent who is registered and would handle the funds, and/or directly to wherever it is,

whether it is Air Canada or a carrier or directly to the hotel, that would still be permissible.

Hon. Mr. Wrye: I again draw my friend's attention to the word "sells." As I understand it, it would have to be that the cheque that would be payable, having had this escort sell the service, must not be a cheque that would be for a larger amount. Otherwise, the individual is acting as a travel agent. I do not think we have a problem with this.

The factor I want my friend to look at is the issue of a person selling travel services to consumers. If he is selling travel services, he must be registered as a travel agent.

Section 1 agreed to.

Sections 2 to 10, inclusive, agreed to.

Bill ordered to be reported.

On motion by Hon. Mr. Wrye, the committee of the whole House reported one bill without amendment.

1710

THEATRES AMENDMENT ACT

Hon. Mr. Wrye moved second reading of Bill 54, An Act to amend the Theatres Act.

Hon. Mr. Wrye: Briefly, under this legislation the chairman of the Ontario Film Review Board will be appointed through an order in council rather than being hired as a civil servant. By giving cabinet this authority, the Ontario Film Review Board will become more directly accountable.

Essentially, what this bill also does is split the functions of the chairman of the board and the director of the theatres branch and permits, thus, the creation of the position of director responsible for administrative and support services. As the members of the House now know, the current chairman also acts as director of the theatres branch under the legislation. We in the government believe that separating these positions will bring the operation of the film review board into line with other government agencies, boards and commissions.

Mr. Swart: One is tempted, I suppose, when we have a bill like this before us, to start into the issue of censorship, but I assure you it cannot be dealt with in this bill in any event, although we might get away with talking about it, so I do not intend to do that.

We will be supporting this bill on our side of the House because, in addition to the comments of the minister that this will put the operation of this board in line with other boards by separating the chairman of the board and the director, I think

it is desirable because it obviously gives a much greater degree of independence to the film review board. If you have the director of the theatres branch also chairman of the board, obviously he tends to get things the way he wants in the recommendations for government policy; it comes down instead of going up. With the independent chairman of the review board, it means that it works in the opposite direction and provides a greater degree of independence, certainly, to members of the board, who in fact are supposed to be and to a very large extent are representative of the citizens and the various sectors of this province.

All the bill really contains is that one article. I think it is desirable; therefore we will support it and not send it to a committee.

Hon. Mr. Wrye: On behalf of my friend the member for Nipissing (Mr. Harris), I should indicate his enthusiastic and wholehearted support of this bill. Were he here, I know he would have said those words.

I thank my friend the member for Welland-Thorold for his endorsement of this legislation and for indeed making another important point as to another reason this separation may well be of some assistance in this area.

With those remarks, I will move second reading.

Motion agreed to.

Bill ordered for third reading.

UPHOLSTERED AND STUFFED ARTICLES AMENDMENT ACT

Hon. Mr. Wrye moved second reading of Bill 55, An Act to amend the Upholstered and Stuffed Articles Act.

Hon. Mr. Wrye: I know that this is the bill the House has been waiting for all week and that indeed, even as I begin these remarks, there is a crowd gathering around the Legislature, waiting to hear what important changes we have to the Upholstered and Stuffed Articles Act. Indeed, my friend the member for Oshawa (Mr. Breaugh) was commenting yesterday that he intended to bring his stuffed teddy bear. I note with some distress that I have not seen in his place the stuffed teddy bear.

Very briefly, there are a number of housekeeping changes, including the removing of the reference in the act to the director of the consumer protection division, to reflect a change in the administrative scheme in the technical standards division.

What honourable members might also most want to know, however, is that fines under the act

are increased quite substantially, but members would find that they are increased to bring them into line with other legislation administered by the technical standards division of the Ministry of Consumer and Commercial Relations. That is why we have fixed those numbers at the levels that we have found.

For my friend from Oshawa, who I know was about to ask, "What are those numbers?" the fines were \$500 and \$2,000, and they have been changed to \$2,000 and \$10,000. They are simply changes to bring them into line with other fines in areas that are administered by that division, and I would hope the Legislature would give its fast and speedy approval to these important changes.

Mr. Harris: I wonder if the minister could tell us how much money the director of the upholstered and stuffed articles branch makes and how many staff there are in this branch?

Mr. Breaugh: I think he's in trouble. Pretty shaky there.

Hon. Mr. Wrye: I am. It is a very small branch, and I am going to get exact numbers because they are writing them even as we speak; we will check them before I make my final comments. But it is a very small branch. I believe there are about 10 to 15 people within the branch. It is located out in Etobicoke. My friend the member for Nipissing (Mr. Harris) is welcome to go and visit and see what good work they do, but it is a very small branch.

There are only, I think, four inspectors across the province, two in Metro and two elsewhere, one for eastern Ontario and one for southern Ontario. We are hoping—

Where is my friend the Chairman of Management Board (Mr. Elston) when I want to make a pitch for money? The general salary of directors in that area I will check for my friend, but I would think it would be in the range of \$50,000 per annum.

Mr. Swart: I would not want to let this bill go by without making some comments on it and saying to my friend the member for Windsor-Sandwich (Mr. Wrye) that, to date, on the two bills we have had already and the two that will still be coming up, he must be pretty delighted in his reincarnation in this new ministry compared to what he had before.

Mr. Breaugh: Something he can handle: panda bears.

1720

Mr. Swart: But I just want to suggest to him that things may go downhill from that point of view after this afternoon is over. There may be

some which have some very real controversy and I may be involved in some of those.

Obviously, we are going to support this one too. It is housekeeping, but I do want to say that the increase in fines is warranted. It is a kind of a little act and an issue we can all joke about, but when it comes to matters of some company using flammable materials in toys or used materials that are not clean, it has some very real significance in our society. The increase in fines is very supportable. I have forgotten the exact number of years, but I believe it has been at least a decade since they have been changed, so the new fines will not be any greater in reality than they were previously.

Again, the other change about the director is a change that has to be made to conform with the facts that exist within the ministry.

Mr. Harris: I too want to congratulate the minister on being able to bring these pieces of legislation forward. It is something the member for Wilson Heights (Mr. Kwinter) was unable to do in his two-year tenure. I am not sure why he was not able to get these bills before the Legislature and get updated. However, whatever the secret is, obviously the new minister has figured out a way.

Mr. Breagh: It is an awesome display of political power.

Mr. Harris: That is right. I can assure the chamber, on behalf of our party and the New Democratic Party, that we would have been equally receptive to facilitating legislation throughout that two-year period, so there is nothing that is happening on this side of the House that should cause this minister to be so superior to the minister from Wilson Heights on this matter.

I share some of the concerns of the member for Welland-Thorold (Mr. Swart) on the amount of fines. I have to be honest and tell members that I am only the deputy, deputy, deputy critic for this ministry. Our critic, unfortunately, was called away this afternoon, and I have not had a great deal of time to study these bills in the depth that members might have expected that I normally do with every piece of legislation that I become involved in.

I do not know whether \$2,000 or \$10,000 is an appropriate fine for, I assume, using materials other than those that are approved. I gather that is what the fines would be for. I have not read the whole act that this bill is amending. I recall, a couple of years back, there was a stuffed toy in the United States—I do not know if it got into

Canada—that had poisonous material that if a child—

Mr. Swart: It was imported.

Mr. Harris: Was it from Korea? If they had torn the article, as children are wont to do—certainly my two-year-old, anyway—the first way they explore things is to get them into their mouth.

I do not know whether the fines are appropriate. Sometimes we are wont to look at the title of a particular bill and wonder about its significance. It is not a startling title nor does it sound like an earthshaking piece of legislation, although obviously it is a very important department because the director makes significantly more money than a back-bencher in this Legislature makes, and I consider my job to be relatively important. I might ask if there are any openings in the department.

Mr. Haggerty: Are things that bad over there?

Mr. Harris: Fifty grand does not sound too bad. I do not know whether the fines are appropriate. We are going to support the legislation. It is an increase, obviously; it is a move in the direction and they should be updated. If these types of materials are flammable, if they deal with children or if they are poisonous in any way, it is something that should be treated very seriously, certainly more seriously than the title of the act sometimes suggests to us. We will support the legislation.

Hon. Mr. Wrye: I thought my friend the member for Oshawa was going to jump in and make some comments as we move through these extremely important pieces of legislation. If we could get on this much of a roll, we could do the prepaid services bill and a few others. My friend the member for Welland-Thorold might want to make some modestly expanded comments on those pieces of legislation.

These are fairly routine housekeeping bills and we do make light of them, but I think beneath those comments, both of my friends alluded to the fact that for a number of individuals, especially young individuals, this piece of legislation, with a name that brings a smile to everyone's face, is nevertheless of critical importance. I would not want to make light of the very important work done by a number of the inspectors who are involved in the branch. I had an opportunity to spend some time at our offices in the west end of Toronto, in the Islington and Bloor area, and saw some of the things they come up with. They are not very pleasant.

As my friends will know, it is extremely important that we have inspectors to ensure that the legislation and the use of new material, etc., is being adhered to and also that there be appropriate fines. I want to note particularly for my friend the member for Nipissing, as he is kind of pinch-hitting today and I am not sure he knows the original fines, that the increase in the area of fines for individuals is four-fold; the increase in the area of maximum fines for corporations is five-fold. It is, as my friend the member for Welland-Thorold points out, the first increase in some period of time. Nevertheless, it is quite a significant increase.

We believe that represents an important change and an important signal that it is critical that the legislation be adhered to. I see my staff sitting down. I do not know whether we have those numbers. If we can get a page over there, perhaps I can talk just a little longer while we get the exact figures for my friend the member for Nipissing. I do not want to disappoint him. I do want to come up with the correct figures for him.

The member for Oshawa was a little worried when the member for Nipissing said he might apply for this job. I have some disappointing news. There is a total of eight staff. I said nine, did I not? The director's salary, I say to my friend from Nipissing who has been waiting for this information in breathless anticipation, is \$43,127 per annum. It is an important job and this is an important piece of consumer protection legislation. I hope the House will give it second reading.

Motion agreed to.

Bill ordered for third reading.

1730

OPERATING ENGINEERS AMENDMENT ACT

Hon. Mr. Wrye moved second reading of Bill 56, An Act to amend the Operating Engineers Act.

Hon. Mr. Wrye: The legislation to which I hope we will give second reading today, representing changes to the Operating Engineers Act, will ensure fair treatment of qualified operating engineers from other provinces. As I know you, Madam Speaker, and certainly some colleagues in the House are aware, currently they qualify for only a one-year provisional certificate at one grade below their existing qualification.

There have been a number of cases. Because he and I have talked about it privately, I know that my friend the member for Leeds-Grenville (Mr. Runciman) has some constituent problems

in this regard. Quite frankly, so has the minister before the House as Minister of Consumer and Commercial Relations. I think many members of the House will note constituent problems they have had in this regard.

The amendments we are presenting will enable operating engineers certified by other provinces to apply for an Ontario certificate at their current level of education and expertise. I believe the change reflects our confidence in the standards set for operating engineers by other provinces, our support for removal of barriers to employment across Canada and our desire to help the employers of this province with the hiring of skilled workers that they need. That is a particular problem in some areas, not so much around Metropolitan Toronto and some urban areas, but I am advised that it is a particular problem at times in northern Ontario.

Not all provinces have taken the action we are taking today, but for a number of good reasons this bill, in terms of showing interprovincial co-operation, is an appropriate one for us to deal with on this Thursday afternoon when it was my understanding the details of the free trade agreement would be coming out.

The Acting Speaker (Miss Roberts): Would any other honourable member wish to participate in the debate?

Mr. Swart: I would. I was going to make the comment as well that this is sort of the implementation to a minor degree of some further free trade within our own country because it means that these tradesmen may now go across into other provinces or come from other provinces here and have the recognition of their operating engineer's certificate, whatever class that may be.

Because this is such a small bill, I think it is not unfair to fault the government for not having dealt with this sooner. I know he is new in this ministry, but as the minister has said, there have been a lot of people affected by this. In my riding there are a number who have come to see me about this, and of course it is really too late for all of them now. A lot of these people came back to Ontario from Alberta when the oil economy out there started to collapse and they had to be moved down from a first-class operating engineer to a second-class operating engineer for one year. Most of them have been back here long enough now that they are up to their first-class operation again, but they lost substantial money. More than that, they were precluded from getting jobs which they otherwise could have got with their first-class engineering certificate.

As I said to the minister previously, this is a bill that will probably get through the House in a few minutes and I think it is not unfair to criticize the Liberal government of the past two years for not having dealt with it. I think I am also correct in saying that this bill was first introduced by the Conservatives, so that has to be over two and a half years ago. I remember when I questioned the minister at that time about why they had not introduced it sooner, he said, "Well, we were waiting to get compliance from the other provinces."

Mr. Haggerty: It wasn't in the accord, Mel.

Mr. Swart: Well, it may not have been. It is the kind of thing Liberals wanted to get in the accord instead of something real; I have to tell the member that. Instead of something like auto insurance, they would be glad to have put this in, but we thought there might be some issues of more significance to the people of Ontario to get into the accord than this item that we have before us at the time. It could have been dealt with very quickly. Some people felt pretty severe discrimination and were quite angry about this.

I will be glad if the minister can tell me what other provinces do not have reciprocal legislation at this time. When I discussed it with the minister back in the Conservative government, the majority of other provinces had it at that time. We are one of the later provinces, at least among the larger provinces in Canada, to pass this kind of reciprocal legislation and I think we should have led the way, given that we are an industrial province and the largest province in Canada.

Having said that, belatedly we will—let me put it another way: We will support this belated bill to correct an injustice which has been needlessly long.

Mr. Harris: We are certainly supportive of the principle of this piece of legislation. It is another one that the member for Wilson Heights (Mr. Kwinter) for some reason or another was not able to get before the chamber. This minister deserves commendation again for bringing it into the chamber.

I would not mind knowing, though, from the minister, what other jurisdictions—he is getting that information?—

Hon. Mr. Wrye: Do not do it?

Mr. Harris: —do not do it, and whether it is proposed that this will be reciprocal only with those who do it or whether it will apply to all other provinces regardless of whether they offer reciprocal agreements the other way.

The minister is ascertaining what other provinces do that now and which ones do not.

I do not think on this one I have to get into the definition, as I did in one of the earlier pieces of legislation today.

Also just clarification from the minister: It is my understanding that the whole concept of provisional certificates is totally removed and there will no longer be any provisional certificates. Does that apply out-of-country as well? I am not familiar with the original act that this bill seeks to amend, but it would strike me as logical that there may be provisional arrangements for out-of-country, not just out-of-province, as this seems to address.

For operating engineers who may come into Ontario, I assume that if the provisional is removed, then if there are no arrangements with other countries—perhaps the minister can let me know as well whether we have reciprocal arrangements with the United States or other countries—presumably they would have to write the exams here; there would be absolutely no arrangements for provisional certification.

I wonder as well if the minister could tell me what requirements there are to write the exams for an operating engineer, whether there is a mandatory course one must take and how long it is or whether in these arrangements, if somebody came from out-of-country, for example, he could just write the exam because of some course he has taken in the other country and then be licensed in Ontario, and whether the minister knows of any reaction by operating engineers in Ontario, whether they are in support of these changes or not. One would expect they would be.

1740

I wonder if the minister knows how many provisional certificates there are now operating in Ontario and whether they are red-circled, grandfathered or whatever the appropriate term would be, and whether everybody in Ontario who now has a provisional certificate will automatically be granted a permanent certificate or whether they will be terminated and have to write the exam before they can carry on doing business, if they already have a job on the basis of a provisional certificate.

Those are the few questions I have that I would appreciate the minister responding to.

Mr. McCague: I would have appreciated having the answer to the questions raised by both the member for Welland-Thorold (Mr. Swart) and the member for Nipissing (Mr. Harris) with regard to the reciprocal agreements. If the

minister will consent to doing that, I might have a question following that.

The Acting Speaker: The minister, when he rises, will speak to it to close the debate.

Mr. Harris: On a point of order: I would not object to reverting back to the minister. It would require unanimous consent. I notice one member of the Liberal Party about to object. It might avoid having to go into committee of the whole.

The Acting Speaker: Do we have unanimous consent to allow the minister to answer the questions at this time?

Agreed to.

Hon. Mr. Wrye: I do not want to be difficult. I do not have as yet, but we are trying to get, the numbers and indeed the names of the provinces which do not have this same provision for operating engineers going there from this province.

On the question of reciprocity, this is a provision which will change section 23 of the bill and end the issuing of the provisional certificates for operating engineers coming from all other provinces of Canada. That is without any reciprocity being demanded.

The member for Nipissing has also raised the issue of outsiders from other countries. I cannot find offhand—I apologize to him but I do not have the act memorized quite yet—any reference to a provisional certificate. I rather suspect, at first thought, that these individuals from other countries, the United States and elsewhere, will simply have to go through the proper certification process.

It is because we have confidence in the standards set in other provinces across the country that we had provisional certificates in the first place. It is also through the confidence we have that the standards in other provinces of this country are similar to ours that we are now offering an end to provisional certificates and offering this level of interprovincial co-operation.

My friend may want to make a speech based on my comments. I hope he will because I still do not have the answer to how many other provinces do not have the same arrangements. I see somebody writing; I may have that in a minute.

Mr. McCague: I do not want to make a speech. I did want the answer to that question in particular, as it applies to the provinces to the east and to the west of us. I know that in some instances there have been problems with those provinces in regard to the sort of protectionism they have instituted, which was often com-

plained about by labour, by trades and by professionals from the Manitoba side and the Quebec side. That is the only reason I raised it, so that the minister might answer the question for us.

The Acting Speaker: Does any honourable member wish to comment on the comments just made by the member for Simcoe West?

Mr. Harris: Perhaps briefly, since I really do not want to go into it. The minister does not have that information? Then I guess not.

The Acting Speaker: Does the member for Simcoe West wish to reply? Two minutes.

Mr. McCague: Probably the minister would agree to get that information for us prior to third reading. That is all I would ask.

Hon. Mr. Wrye: I want to apologize for my colleagues. We checked over at the technical standards branch and there is no one there. I know my friends want that information. It probably is not critical to the passage of second reading but I will send my friend the member for Welland-Thorold and the House leader for the third party the information first thing tomorrow morning.

I apologize because I am neglectful in not having had this all spelled out, but it was my understanding in discussion—this was brought up in passing—that, I believe, seven or eight other provinces did not have it, but I may have it wrong. My friend the member for Welland-Thorold seems to remember that I might have it wrong, that it may be the other way around.

I will be in contact and send a written list over to my two friends in the morning and I will certainly share it with my friend the member for Simcoe West (Mr. McCague) as well, so that by the time this legislation comes back some time next week for third reading, if there are any remarks that need to be made, and of course they can be made in third reading debate, my friend can make them.

Mr. Harris: Plus the other questions I asked.

Hon. Mr. Wrye: I will see whether I can get an answer for my friend on the out-of-country certificates and make him aware of that as well as my friend the member for Welland-Thorold.

Notwithstanding whether other jurisdictions have done this, I think it is very important that we do it. I note in passing that the member for Welland-Thorold also alluded to something of the irony of all of this happening as this free trade matter goes forward, in that as this government wishes to see interprovincial co-operation ties

strengthened this piece of legislation goes one small step towards doing that.

In closing, I appreciate the very kind comments about the fact that these four pieces of legislation have come forward. Many of them have been around for a while, but I would not want it to be misunderstood. My friend and colleague the member for Wilson Heights (Mr. Kwinter), my predecessor in this job, did quite an exemplary and I would say spectacular job, not only in shepherding a number of consumer pieces of legislation through the House but also as Minister of Financial Institutions.

Perhaps if we had had just a little shorter debate on some of those matters, such as insurance and pensions, and if the speeches had been just a touch shorter, these four bills might have received second and third reading before this day, but that is a matter we might all ponder. Suffice it to say it is a very positive day for a number of people in this province as we move forward with four important pieces of consumer legislation, and I am very pleased to move second reading of Bill 56.

Motion agreed to.

Bill ordered for third reading.

1750

Hon. Mr. Conway: Recognizing the lateness of the hour, I want to proceed with the customary business statement for next week. But before I do, I might add on behalf of my good friends the House leaders that I want to ask for unanimous consent to revert to motions.

The Acting Speaker: The minister has asked for unanimous consent to revert to motions. Do we have unanimous consent?

Agreed to.

MOTION

COMMITTEE SITTING

Hon. Mr. Conway: I thank the House very much for its unanimous consent, and again, on behalf of my friends the House leaders, I want with particular enthusiasm to make a motion.

The Acting Speaker: Hon. Mr. Conway moves that the standing committee on finance and economic affairs be authorized to meet following routine proceedings on Tuesday, December 15, 1987.

Motion agreed to.

BUSINESS OF THE HOUSE

Hon. Mr. Conway: I would just like to indicate the business of the House for the coming week.

On Monday, December 14, we will consider second reading of Bill 29, the Municipality of Metropolitan Toronto Amendment Act. Following that debate, we will proceed with the interim supply motion.

For the remainder of the week, we will consider the following items of business at times to be announced and arranged among House leaders:

A motion in reference to the text of the Canada-US free trade agreement; Bill 61, the Municipality of Metropolitan Toronto Amendment Act; Bill 58, the Ministry of Colleges and Universities Amendment Act; and Bill 65, the Farm Products Marketing Act. There may be additional legislation which will be added through the agreement of the House leaders.

Next week's private members' business will consider ballot items standing in the names of the member for Windsor-Walkerville (Mr. M. C. Ray) and the member for Riverdale (Mr. Reville).

I should also note at this time that when the House adjourns next week, it will not sit again until February 8, so that—

Mr. D. S. Cooke: Of 1989.

Hon. Mr. Conway: Yes, 1989. I thank the member.

An hon. member: You mean 1988.

Hon. Mr. Conway: Sorry. Did I say 1989? Pardon me. It just tells you that with the advance of the holiday season, one tends to need to be careful.

Mr. Breagh: Watch this majority at work.

Hon. Mr. Conway: I want to say to my friend the member for Oshawa (Mr. Breagh) that when we adjourn next week, the House will not sit again until February 8, 1988. During the intersession period, of course, many important items will be discussed and debated at various committees.

The Acting Speaker: It being close to six o'clock, there having been a request for an answer to a question, I would request the unanimous consent of the House that we proceed with standing order 30. Agreed?

Agreed to.

TRANSMISSION LINES

The Acting Speaker: Pursuant to standing order 30, the question that the House be now adjourned is deemed to have been made. The member for Carleton (Mr. Sterling) has given notice of dissatisfaction with an answer to a question given yesterday by the Minister of

Energy (Mr. Wong). The member has up to five minutes to debate the matter, and the minister may reply for up to five minutes.

Mr. Sterling: I could stand and debate on the mismanagement of the Bridlewood hydro corridor issue by this Liberal government over the past two years for five hours, but tonight I will confine my remarks to the response to my question yesterday with regard to compensation for the people of the Bridlewood community.

Yesterday I asked the minister whether or not he would treat the people of eastern Ontario equally with the people of southwestern Ontario with regard to possible compensation for Ontario Hydro coming through their backyards with a 500-kilovolt, twin-tower line 16 storeys high.

As you know, Madam Speaker, this dispute has been going on for two years in front of the Ontario cabinet. Ontario Hydro, two days after the residents received notice that cabinet had made a decision, moved on to the corridor and started construction this morning. I am happy to say that the residents went out and picketed Ontario Hydro, that the response by the residents was peaceful and my fears of violence were allayed.

With regard to the minister's response to my question yesterday, he said: "People should be treated fairly." I could not agree with him more. "I would like to point out to the honourable member, although he probably does know, that the right of way, the transmission corridor, was established in the Ottawa West area in 1971, well before any houses had been situated there. The people who have acquired and purchased houses and live there came in after that point in time."

That is true. People came and bought houses where there was a hydro corridor, a 230-kilovolt hydro corridor with a single tower, eight storeys high.

Now, through Ontario Hydro and through the cabinet of Ontario, twin towers are going to be erected there with 500-kilovolt lines, 16 storeys high. The reason they have to put them up 16 storeys high is because the Hydro corridor is too narrow to have them lower than that. That is the way they beat a technical problem of having them at a lower level.

I took from the minister's answer that the people in southwestern Ontario located along the line from Bruce all the way down to London, all the way over to Barrie, all the way down to Nanticoke—I took from his response that all of those corridors that were established in southwestern Ontario were on new ground; new easements were being formed.

Now I find, after consulting with Hydro, that in fact most of the right of way is going to be an old right of way and they are going to upgrade lines, just as they are going to upgrade lines in Bridlewood. I looked back at the decision of the joint board dealing with the southwestern Ontario situation, dated February 20, 1987. Recommendation 21 says, "The easements or lands taken for the rights of way where they coincide or use existing Ontario Hydro rights of way are to be considered new easements and new rights of way and are to be treated accordingly for the purposes of compensation."

The people of southwestern Ontario have been given a fair deal by Ontario Hydro and, it being an agency of the Ontario government, by the Ontario government.

I do not accept the stonewall this minister continues to put forward. He talks about a due process that went through, when we have a process that is muddled over a two-year period. Particularly, again I raised a matter today with regard to the Attorney General (Mr. Scott) being in a direct conflict of interest in being both a counsel and a member of cabinet when this decision was made.

The Acting Speaker: The member's time has elapsed.

Hon. Mr. Wong: I thank the honourable member for this opportunity to address this problem, this very important situation, which has been before the government for approximately two years.

I would like to begin by addressing the last question the honourable member raised, with respect to the process. We live in a law-abiding country where we have certain laws and processes set up. It could be that the honourable member feels the process should be changed. If that be the case, then that is another discussion.

However, in this particular situation, which started approximately two years ago, there were certain legal procedures put into place that I would just like to review very briefly. With respect to the Bridlewood section of the eastern Ontario transmission project, the recent appeal, the second appeal to cabinet, was fully considered by the cabinet, which, upon that deliberation, confirmed the joint board's decision.

In consideration of its decision, cabinet was not convinced that the joint board was wrong to reject the appellant's case for rerouting or burial as mitigation measures—and I will just say this quickly because I want to give the member as comprehensive an answer as possible—on the question of possible health effects, cabinet

concluded that the appellants had failed to show that a causal relationship exists between extremely low frequency electromagnetic field exposure and a variety of adverse health effects.

Zeroing in specifically on the honourable member's question yesterday and today with respect to a potential buyout or purchase of these properties, these homes, by Ontario Hydro, I listened with consideration to the point that the member has made, but in addition I would like to point out that, even if that situation which he quoted to me created a similarity between the Bridlewood and the southwestern Ontario corridor situations, there are other differences and I want to get back to the process.

In the case of the southwest corridor, a 75-metre buyout option was requested by the interveners in the southwest hearing. Furthermore, expert testimony on the desirability of this option along the southwest corridor was provided.

In the case of eastern Ontario, a buyout option was not requested at the eastern Ontario hearings, and Mrs. Hunter's appeal, on behalf of the Bridlewood Residents Hydro Line Committee, requested such a buyout option—I want it to be clear—but offered no evidence to support the need for it. Many of us are going before different boards and organizations requesting this, requesting that, but there was no evidence to support it.

In addition, let me choose my words carefully and state that the cabinet also addressed specific-

ally this request, dated June 16, 1987, from the Bridlewood Residents Hydro Line Committee, that a school and approximately 80 homes affected by the line should be made candidates for expropriation.

What I am saying is, the cabinet addressed this. This is our system. The cabinet addressed it, and cabinet noticed also that no request was made by interveners at either the routing hearing or at the mitigation hearing for the buyout option.

In conclusion, I want to say that the full legal recourse available to the citizens has been utilized and this was the conclusion.

Furthermore, I ask myself, if we take this independent joint board and say we are going to throw out that process and overrule such a body, to me this would be very disruptive to the democratic system and processes that we have set up.

In addition, what it would mean is that we would be setting a precedent whereby there are other corridors and other homes and perhaps similar situations where the cost would be quite significant.

I thank the honourable member for asking the question. I hope I have been able to shed some factual light on this.

The Acting Speaker: There being no further matters to debate, I deem the motion to adjourn to be carried.

The House adjourned at 6:04 p.m.

ALPHABETICAL LIST OF MEMBERS*

(130 seats)

First Session, 34th Parliament

Lieutenant Governor: Hon. Lincoln M. Alexander, PC, QC

-
- Adams, Peter (Peterborough L)
 Allen, Richard (Hamilton West NDP)
 Ballinger, William G. (Durham-York L)
 Beer, Charles (York North L)
 Black, Kenneth H. (Muskoka-Georgian Bay L)
 Bossy, Maurice L. (Chatham-Kent L)
Bradley, Hon. James J., Minister of the Environment (St. Catharines L)
 Brandt, Andrew S. (Sarnia PC)
 Breagh, Michael J. (Oshawa NDP)
 Brown, Michael A. (Algoma-Manitoulin L)
 Bryden, Marion (Beaches-Woodbine NDP)
 Callahan, Robert V. (Brampton South L)
 Campbell, Sterling (Sudbury L)
Caplan, Hon. Elinor, Minister of Health (Orillia L)
 Carrothers, Douglas A. (Oakville South L)
 Charlton, Brian A. (Hamilton Mountain NDP)
 Chiarelli, Robert (Ottawa West L)
 Cleary, John C. (Cornwall L)
 Collins, Shirley (Wentworth East L)
Conway, Hon. Sean G., Minister of Mines (Renfrew North L)
 Cooke, David R. (Kitchener L)
 Cooke, David S. (Windsor-Riverside NDP)
 Cordiano, Joseph (Lawrence L)
 Cousens, W. Donald (Markham PC)
 Cureatz, Sam L. (Durham East PC)
Curling, Hon. Alvin, Minister of Skills Development (Scarborough North L)
 Daigeler, Hans (Nepean L)
 Dietsch, Michael M. (St. Catharines-Brock L)
Eakins, Hon. John F., Minister of Municipal Affairs (Victoria-Haliburton L)
Edighoffer, Hon. Hugh A., Speaker (Perth L)
 Elliot, R. Walter (Halton North L)
Elston, Hon. Murray J., Chairman of the Management Board of Cabinet (Bruce L)
 Epp, Herbert A. (Waterloo North L)
 Eves, Ernie L. (Parry Sound PC)
 Farnan, Michael (Cambridge NDP)
 Faubert, Frank (Scarborough-Ellesmere L)
 Fawcett, Joan M. (Northumberland L)
 Ferraro, Rick E. (Guelph L)
 Fleet, David (High Park-Swansea L)
Fontaine, Hon. René, Minister of Northern Development (Cochrane North L)
Fulton, Hon. Ed, Minister of Transportation (Scarborough East L)
 Furlong, Allan W. (Durham Centre L)
Grandmaitre, Hon. Bernard C., Minister of Revenue (Ottawa East L)
 Grier, Ruth A. (Etobicoke-Lakeshore NDP)
 Haggerty, Ray (Niagara South L)
 Hampton, Howard (Rainy River NDP)
 Harris, Michael D. (Nipissing PC)
 Hart, Christine E. (York East L)
 Henderson, D. James (Etobicoke-Humber L)
Hošek, Hon. Chaviva, Minister of Housing (Oakwood L)
 Jackson, Cameron (Burlington South PC)
 Johnson, Jack (Wellington PC)
 Johnston, Richard F. (Scarborough West NDP)
 Kanter, Ron (St. Andrew-St. Patrick L)
Kerrio, Hon. Vincent G., Minister of Natural Resources (Niagara Falls L)
 Keyes, Kenneth A. (Kingston and The Islands L)
 Kozyra, Taras B. (Port Arthur L)
Kwinter, Hon. Monte, Minister of Industry, Trade and Technology (Wilson Heights L)
 Laughren, Floyd (Nickel Belt NDP)
 LeBourdais, Linda (Etobicoke West L)
 Leone, Laureano (Downsview L)
 Lipsett, Ron (Grey L)
 Lupusella, Tony (Dovercourt L)
 MacDonald, Keith (Prince Edward-Lennox L)
 Mackenzie, Bob (Hamilton East NDP)
 Mahoney, Steven W. (Mississauga West L)
Mancini, Hon. Remo, Minister without Portfolio (Essex South L)
 Marland, Margaret (Mississauga South PC)
 Martel, Shelley (Sudbury East NDP)
 Matrondola, Gino (Willowdale L)
 McCague, George R. (Simcoe West PC)
 McClelland, Carman (Brampton North L)
 McGuigan, James F. (Essex-Kent L)
 McGuinty, Dalton J. (Ottawa South L)
 McLean, Allan K. (Simcoe East PC)
McLeod, Hon. Lyn, Minister of Colleges and Universities (Fort William L)
 Miclash, Frank (Kenora L)
 Miller, Gordon I. (Norfolk L)
 Morin, Gilles E. (Carleton East L)
 Morin-Strom, Karl E. (Sault Ste. Marie NDP)

Munro, Hon. Lily O., Minister of Culture and Communications (Hamilton Centre L)
 Neumann, David E. (Brantford L)
 Nicholas, Cindy (Scarborough Centre L)
 Nixon, J. Bradford (York Mills L)
Nixon, Hon. Robert F., Deputy Premier, Treasurer of Ontario and Minister of Economics and Minister of Financial Institutions (Brant-Haldimand L)
 Offer, Steven (Mississauga North L)
O'Neil, Hon. Hugh P., Minister of Tourism and Recreation (Quinte L)
 O'Neill, Yvonne (Ottawa-Rideau L)
 Owen, Bruce (Simcoe Centre L)
Patten, Hon. Richard, Minister of Government Services (Ottawa Centre L)
 Pelissero, Harry E. (Lincoln L)
Peterson, Hon. David R., Premier and President of the Council and Minister of Intergovernmental Affairs (London Centre L)
 Philip, Ed (Etobicoke-Rexdale NDP)
Phillips, Hon. Gerry, Minister of Citizenship (Scarborough-Agincourt L)
 Poirier, Jean, Deputy Speaker and Chairman of the Committees of the Whole House (Prescott and Russell L)
 Pollock, Jim (Hastings-Peterborough PC)
 Polsinelli, Claudio (Yorkview L)
 Poole, Dianne (Eglinton L)
 Pope, Alan W. (Cochrane South PC)
 Pouliot, Gilles (Lake Nipigon NDP)
 Rae, Bob (York South NDP)
Ramsay, Hon. David, Minister of Correctional Services (Timiskaming L)
 Ray, Michael C. (Windsor-Walkerville L)
 Reville, David (Riverdale NDP)
 Reycraft, Douglas R. (Middlesex L)
Riddell, Hon. Jack, Minister of Agriculture and Food (Huron L)
 Roberts, Marietta L. D., Deputy Chairman of the Committees of the Whole House (Elgin L)

Runciman, Robert W. (Leeds-Grenville PC)
 Ruprecht, Tony (Parkdale L)
Scott, Hon. Ian G., Attorney General (St. George-St. David L)
 Smith, David W. (Lambton L)
Smith, Hon. E. Joan, Solicitor General (London South L)
 Sola, John (Mississauga East L)
Sorbara, Hon. Gregory S., Minister of Labour (York Centre L)
 South, Larry (Frontenac-Addington L)
 Sterling, Norman W. (Carleton PC)
 Stoner, Norah (Durham West L)
 Sullivan, Barbara (Halton Centre L)
 Swart, Mel (Welland-Thorold NDP)
Sweeney, Hon. John, Minister of Community and Social Services (Kitchener-Wilmot L)
 Tatham, Charlie (Oxford L)
 Van Horne, Ronald G. (London North L)
 Velshi, Murad (Don Mills L)
 Villeneuve, Noble (Stormont, Dundas and Glen-garry PC)
Ward, Hon. Christopher C., Minister of Education (Wentworth North L)
 Wildman, Bud (Algoma NDP)
Wilson, Hon. Mavis, Minister without Portfolio (Dufferin-Peel L)
 Wiseman, Douglas J. (Lanark-Renfrew PC)
Wong, Hon. Robert C., Minister of Energy (Fort York L)
Wrye, Hon. William, Minister of Consumer and Commercial Relations (Windsor-Sandwich L)

*The alphabetical list of members appears in each issue. Lists of the members of the executive council, parliamentary assistants and members of committees, brought up to date as necessary, are published in Hansard in the first and last issues of each session and on the first sitting day of each month.

CONTENTS

Thursday, December 10, 1987

Private members' public business

Ontario Environmental Rights Act, Bill 13, Mrs. Grier, Mrs. Marland, Ms. Hart, Mr. Charlton, Mr. J. M. Johnson, second reading agreed to 1035

Supermailboxes, resolution 8, Mr. Cousens, Mrs. Stoner, Mr. Farnan, Mrs. Marland, Mr. Mahoney, Mr. Swart, agreed to 1044

Members' statements

Firestone Canada Inc., Mr. Mackenzie 1057

East/Central Ontario Recreation Trails Commission, Mr. Pollock 1057

John Fraser, Mr. Mahoney 1057

Automobile insurance, Mr. Swart 1058

International Human Rights Day, Mr. Sterling 1058

Eastern Ontario, Mr. McGuinty 1058

Retail store hours, Mr. Harris 1059

Statements by the ministry

Human rights, Hon. Mr. Phillips 1059

Municipal elections, Hon. Mr. Eakins 1060

Public disclosure statements, Hon. Mr. Conway 1061

Responses

Human rights, Mr. B. Rae 1061

Municipal elections, Mr. Breagh 1062

Human rights, Mr. Brandt 1062

Public disclosure statements, Mr. Eves 1062

Municipal elections, Mr. McCague 1063

Oral questions

Conflict of interest, Mr. B. Rae, Hon. Mr. Peterson, Hon. Mr. Scott 1063

Housing supply, Mr. B. Rae, Hon. Ms. Hošek, Mr. Breagh 1064

Trade with United States, Mr. Brandt, Hon. Mr. Peterson, Hon. R. F. Nixon 1065

Minister's role in transmission line decision, Mr. Sterling, Hon. Mr. Peterson 1066

Hours of work, Mr. Mackenzie, Hon. Mr. Sorbara 1067

Retail store hours, Mr. Harris, Hon. Mr. Sorbara 1067

Senior citizens' services, Mr. Velshi, Hon. Mrs. Wilson 1068

Nursing homes, Mr. D. S. Cooke, Hon. Mrs. Caplan 1068

Use of gill-nets, Mr. J. M. Johnson, Hon. Mr. Kerrio 1069

Sale of drug-related equipment, Mr. McGuinty, Hon. Mr. Scott 1069

Use of prescription drugs, Mr. Reville, Hon. Mrs. Caplan 1070

French-language services, Mr. Villeneuve, Hon. Mr. Peterson 1071

Etatech Industries Inc., Mr. Neumann, Hon. Mr. Kwinter 1071

Transit services, Ms. Bryden, Hon. Mr. Fulton 1072

Continuing education, Mr. Jackson, Hon. Mr. Ward 1072

Ontario Young Travellers program, Mr. Campbell, Hon. Mr. Ward 1073

Waste disposal, Miss Martel, Hon. Mr. Bradley 1073

First reading

East/Central Ontario Recreational Trails Commission Act , Bill 67, Mr. Pollock, agreed to	1074
---	------

Committee of the whole House

Employee Share Ownership Plan Act , Bill 20, Hon. Mr. Grandmaître, Mr. Harris, Ms. Bryden, reported.	1074
---	------

Second readings

Ministry of Revenue Amendment Act , Bill 21, Hon. Mr. Grandmaître, Ms. Bryden, Mr. Harris, agreed to	1079
Travel Industry Amendment Act , Bill 25, Hon. Mr. Wrye, Mr. Velshi, Mr. Harris, Mr. Swart, agreed to	1085

Committee of the whole House

Travel Industry Amendment Act , Bill 25, Hon. Mr. Wrye, Mr. Harris, reported	1088
---	------

Second readings

Theatres Amendment Act , Bill 54, Hon. Mr. Wrye, Mr. Swart, agreed to	1089
Upholstered and Stuffed Articles Amendment Act , Bill 55, Hon. Mr. Wrye, Mr. Harris, Mr. Swart, agreed to	1090
Operating Engineers Amendment Act , Bill 56, Hon. Mr. Wrye, Mr. Swart, Mr. Harris, Mr. McCague, agreed to	1092

Motion

Committee sitting , Hon. Mr. Conway, agreed to	1095
---	------

Adjournment debate

Transmission lines , Mr. Sterling, Hon. Mr. Wong	1095
---	------

Other business

Recess ,	1056
Visitor , Mr. Speaker	1057
Answers to questions in Orders and Notices , Hon. Mr. Conway	1074
Notice of dissatisfaction , Mr. Speaker	1074
Business of the House , Hon. Mr. Conway	1095
Adjournment	1097
Alphabetical list of members	1098

NOV 0 8 1989

